

# **FRANCES BAARD DISTRICT MUNICIPALITY**



## **SECTION 71 REPORT**

**28 FEBRUARY 2018**

x

**TABLE OF CONTENTS**

|   | Page      |
|---|-----------|
| 1. Introduction .....                                     | 2         |
| 2. Executive Mayor's report .....                         | 2-3       |
| 3. Council resolutions .....                              | 3         |
| 4. Executive summary .....                                | 3-14      |
| 5. In-Year Budget Statement Tables (Annexure A) .....     | 15-20     |
| 6. Supporting documents .....                             | 21-40     |
| <b>7. Municipal Manager's quality certification .....</b> | <b>41</b> |

## **1. INTRODUCTION**

### **1.1 PURPOSE**

The purpose of this report is to comply with section 71 of the Municipal Finance Management Act (no.56 of 2003) and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

### **1.2 STRATEGIC OBJECTIVE**

To improve financial viability and management in terms of Municipal Finance Management Act (no.56 of 2003) priorities as well as Municipal Finance Management Act (no.56 of 2003) implementation plan.

### **1.3 BACKGROUND**

Section 71 of the Municipal Finance Management Act (no.56 of 2003) and section 28 of Government Notice 32141 dated 17 April 2009, regarding the Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

Section 71(1) of the Municipal Finance Management Act (no.56 of 2003) states that, "The accounting officer of a municipality must by not later than **10 working days after the end of each month** submit to the Mayor of the municipality and the relevant treasury a statement in the prescribed format on the implementation of the municipality's approved budget" reflecting certain details for that month and for the financial year up to the end of that month.

According to section 28 of the Government Notice 32141, the monthly budget statement of a municipality must be in the format specified in schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

## **2. EXECUTIVE MAYOR'S REPORT**

Frances Baard District Municipality compiles the section 71 monthly report in the prescribed format as per the Municipal Budget and Reporting Regulations. The format consists of seven financial statements and thirteen tables consisting of supporting documentation.

**Budget Process:**

The budget process plan in respect of the 2017/18 financial year was submitted to the Executive Mayor and to Council for approval on 19 July 2017 and has also been submitted to National Treasury.

Although the IDP process plan is submitted as a separate item by the Directorate: Planning and Development, it is imperative to align the IDP and budget processes with one another.

**Monthly reporting:**

Monthly financial reporting as per DoRA and MFMA requirements to Council, National & Provincial Departments and other stakeholders have been adequately adhered to for the month under review.

**Financial statements for the year ended 30 June 2017:**

The Annual Financial Statements for the year ended 30 June 2017 was submitted to the Audit Committee on 25 August 2017 and to the Office of the Auditor General on 31 August 2017 for audit purposes.

The municipality received an **Unqualified Audit Opinion with matters** for the 2016/17 financial year. This was the first time in six years that the municipality received an unqualified audit opinion with matters.

**MFMA implementation oversight:**

The municipality's progress on the implementation of the MFMA proceeds according to set targets and due dates determined for a medium capacity municipality.

**3. COUNCIL RESOLUTIONS**

The following recommendation will be presented to Council for its resolution when the in-year report is tabled.

***Recommendation:***

- (a) That Council considers the monthly budget, performance assessment report and supporting documentation for the period ended 28 February 2018.

#### 4. EXECUTIVE SUMMARY

All variances are calculated against the approved budget figures.

##### 4.1 Statement of Financial Performance

##### **Consolidated performance against annual budget (Projected Operating Results) – Statement of Financial Performance – (Annexure A - Table C4)**

##### **Revenue by source**

Year-to-date accrued revenue is R52, 166 million as compared to the year-to-date budget projections of R84, 990 million.

##### **Operating expenditure by type**

To date, R64, 105 million has been spent compared to the operational year-to-date budget projections of R77, 145 million.

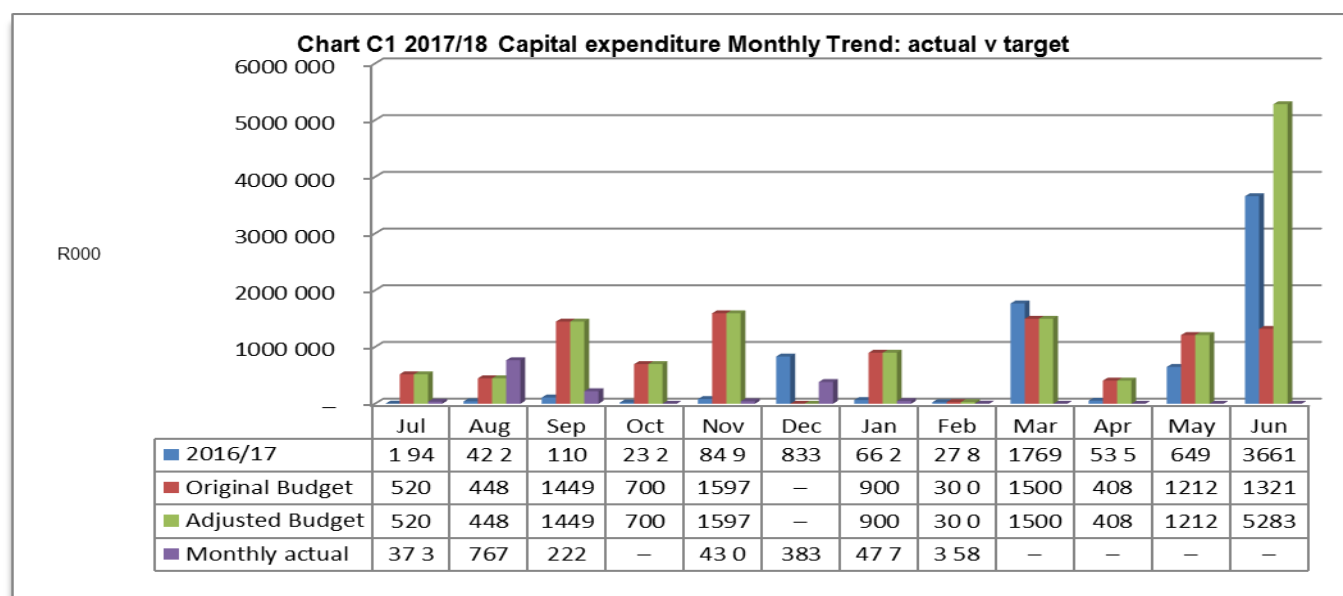
The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

##### **Capital Expenditure**

Year-to-date expenditure on capital amounts to R1, 506 million as compared to the year-to-date budget projections of R4, 793 million.

Please refer to Annexure A, Table C5 for further details.

##### **Capital Expenditure Monthly Trend: Actual vs Target**



## Cash Flows

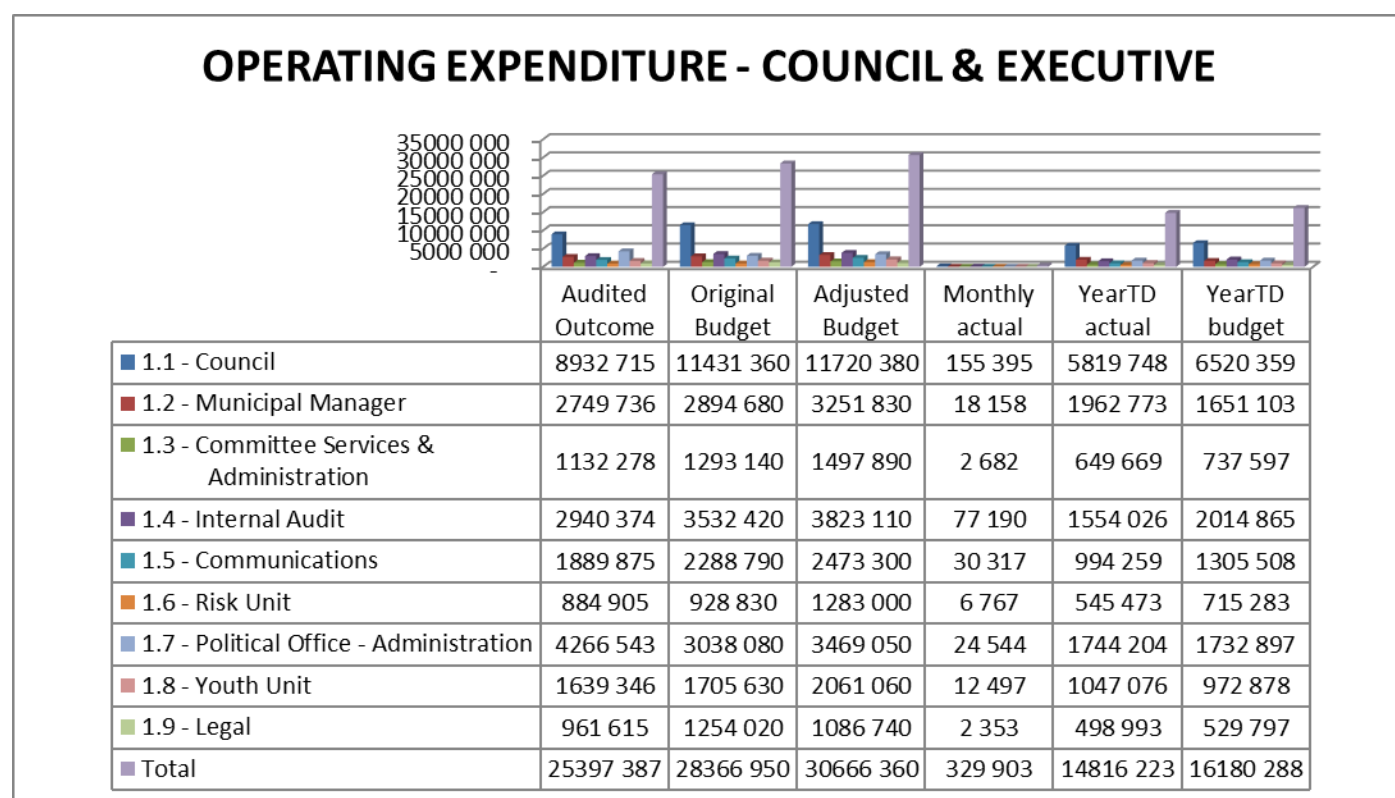
The municipality started the year with a total cash and cash equivalents of R54, 602 million. The year-to date cash and cash equivalents amounted to R63, 221 million. The net increase in cash and cash equivalents for the year to date is R8, 619 million.

Table C6 includes all cash and cash equivalents (cashbook balances, petty cash balances and short and long term deposits).

## Consolidated performance of year-to-date expenditure against year-to-date budget (per municipal vote)

The municipal vote reflects the organisational structure of the municipality which is made up of the following directorates: Council & Executive, Budget & Treasury, Administration, Planning & Development and Project Management & Advisory Services.

The following charts depict the financial performance as per municipal vote according to the approved organogram of the municipality:



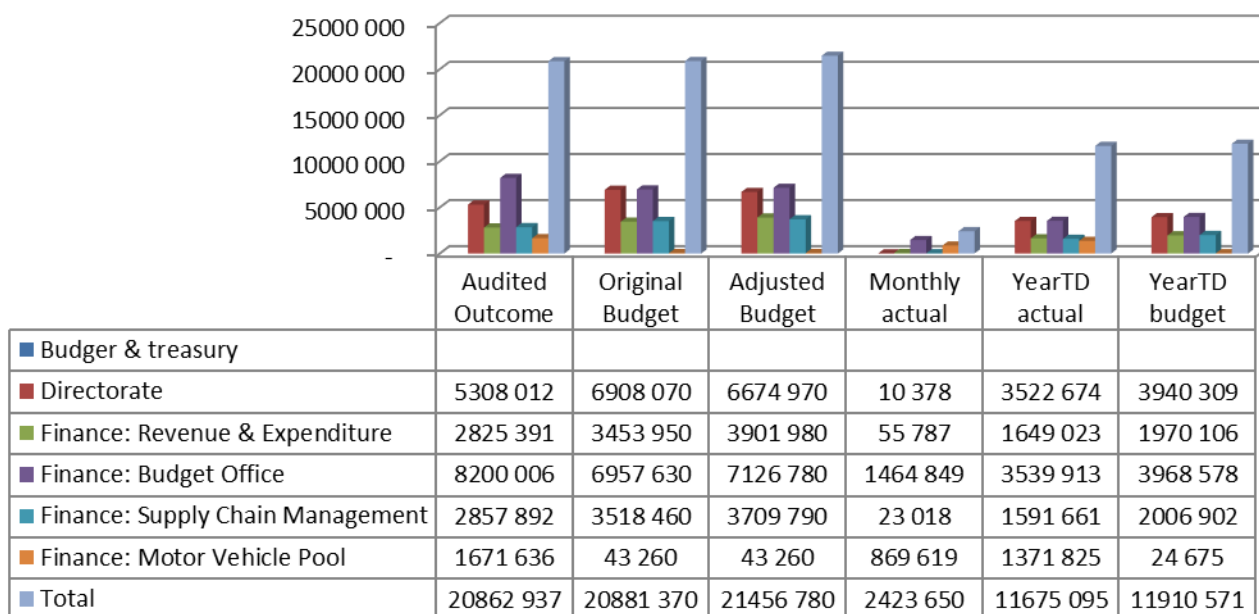
Actual operating expenditure of Council & Executive is R14, 816 million as compared to the year-to-date budget R16, 180 million.

### Consolidated performance of year-to-date expenditure on special projects against full year budget (Council & Executive)

| DESCRIPTION   | FULL YEAR<br>BUDGET 2017/18 | YTD ACTUAL        | % SPENT    | COMMENT   |
|---|-----------------------------|-------------------|------------|---|
| <b>EXECUTIVE &amp; COUNCIL</b>                      |                             |                   |            |   |
| <b>COUNCIL</b>                                      |                             |                   |            |   |
| HH OTH TRANS: Bursaries non-employee/Mayor          | 800 000,00                  | 209 124,66        | 26%        | Expenditure to be incurred as the year progress.  |
| <b>COMMUNICATIONS</b>                               |                             |                   |            |   |
| OS: B&A PROJECT MANAGEMENT/PPP                      | 15 000,00                   | -                 | 0%         | No PPP meetings were held thus far.   |
| OS: CATERING SERVICES/PPP                           | 3 000,00                    | -                 | 0%         | No PPP meetings were held thus far.   |
| OC: TRANSPORT - EVENTS/PPP                          | 10 000,00                   | -                 | 0%         | No PPP meetings were held thus far.   |
| CONTR: GRAPHIC DESIGNERS/BRANDING                   | 30 000,00                   | -                 | 0%         | Project to be rolled out during the third quarter.  |
| CONTR: MAINT OF BUILDINGS & FACILITIES/<br>SIGNAGE  | 26 000,00                   | -                 | 0%         | Ongoing expenditure, no requests received thus far.   |
| CONTR: MAINTENANCE OF UNSPEC<br>ASSETS/FBDM WEBSITE | 45 000,00                   | 45 000,00         | 100%       | Project is completed.   |
|   |                             | -                 |            |   |
| <b>POLITICAL OFFICE - ADMINISTRATION</b>            |                             |                   |            |   |
| OS: CATERING SERVICES/COMMEMOR                      | 70 100,00                   | 42 172,11         | 60%        | Expenditure to be incurred during the course of the financial year.   |
| CONTR: STAGE & SOUND CREW/COMMEMOR                  | 80 000,00                   | 58 173,69         | 73%        | Expenditure to be incurred during the course of the financial year.   |
| OC: TRANSPORT - MUNICIPAL<br>ACTIVITIES/COMMEMOR    | 20 000,00                   | 5 263,16          | 26%        | Expenditure to be incurred during the course of the financial year.   |
| OS: CATERING SERVICES/DISAB                         | 10 500,00                   | 9 650,00          | 92%        | Expenditure to be incurred during the course of the financial year.   |
| CONTR: STAGE & SOUND CREW/DISAB                     | 10 000,00                   | -                 | 0%         | Expenditure to be incurred during the course of the financial year.   |
| OC: TRANSPORT - MUNICIPAL<br>ACTIVITIES/DISAB       | 15 000,00                   | -                 | 0%         | Expenditure to be incurred during the course of the financial year.   |
| OS: CATERING SERVICES/CHILD                         | 25 500,00                   | 11 680,38         | 46%        | Expenditure to be incurred during the course of the financial year.   |
| CONTR: STAGE & SOUND CREW/CHILD                     | 35 000,00                   | 20 000,00         | 57%        | Project is completed  |
| OS: CATERING SERVICES/GENDER                        | 13 500,00                   | 8 694,32          | 64%        | Expenditure to be incurred during the course of the financial year.   |
| OC: TRANSPORT - MUNICIPAL<br>ACTIVITIES/GENDER      | 10 000,00                   | -                 | 0%         | Expenditure to be incurred during the course of the financial year.   |
| INV - MATERIALS & SUPPLIES/PRINT &<br>STAT/GENDER   | 2 600,00                    | 189,47            | 7%         | Expenditure to be incurred during the course of the financial year.   |
| OS: CATERING SERVICES/OLD AGE                       | 10 500,00                   | 7 070,79          | 67%        | Expenditure to be incurred during the course of the financial year.   |
| CONTR: STAGE & SOUND CREW/OLD AGE                   | 20 000,00                   | 15 745,34         | 79%        | Expenditure to be incurred during the course of the financial year.   |
| OS: CATERING SERVICES/MRM                           | 1 500,00                    | -                 | 0%         | Expenditure incurred to commemorate Mandela Day on 18 July 2018.  |
| INV - MATERIALS & SUPPLIES/PRINT &<br>STAT/MRM      | 1 500,00                    | -                 | 0%         | Expenditure to be incurred during the course of the financial year.   |
| <b>YOUTH UNIT</b>                                   |                             |                   |            |   |
| OS: CATERING SERVICES/YOUTH CAREER                  | 10 000,00                   | 1 785,09          | 18%        | Project to be rolled out in the fourth quarter.   |
| CONTR: STAGE & SOUND CREW/YOUTH<br>CAREER           | 7 500,00                    | -                 | 0%         | Exhibition held during the last week of November 2017, no expenditure was incurred relating to stage and sound.                         |
| OC: TRANSPORT - EVENTS/YOUTH CAREER                 | 15 000,00                   | 10 550,00         | 70%        | Exhibition held during the last week of November 2017.  |
| OS: CATERING SERVICES/YOUTH JUNE 16                 | 7 000,00                    | 7 000,00          | 100%       | Project to be rolled out in June 2018.  |
| CONTR: STAGE & SOUND CREW/YOUTH JUNE 16             | 25 000,00                   | -                 | 0%         | Project to be rolled out in June 2018.  |
| OC: TRANSPORT - EVENTS/YOUTH JUNE 16                | 20 000,00                   | -                 | 0%         | Project to be rolled out in June 2018.  |
| OS: CATERING SERVICES/YOUTH ACTION                  | 5 000,00                    | 5 000,00          | 100%       | Project is completed.   |
| CONTR: STAGE & SOUND CREW/YOUTH<br>ACTION           | 10 000,00                   | 9 324,56          | 93%        | Project to be completed during the fourth quarter.  |
| OC: TRANSPORT - EVENTS/YOUTH ACTION                 | 10 000,00                   | 9 691,23          | 97%        | Project to be completed during the fourth quarter.  |
| OS: CATERING SERVICES/YOUTH SKILLS                  | 3 500,00                    | 2 500,00          | 71%        | Skills programme to be done during the third quarter, second quarter skills programme was done during the second week of December 2017. |
| CONTR: STAGE & SOUND CREW/YOUTH SKILLS              | 260 000,00                  | 173 721,61        | 67%        | Skills programme to be done during the third quarter, second quarter skills programme was done during the second week of December 2017. |
| CONTR: STAGE & SOUND CREW/SOPA                      | 19 500,00                   | -                 | 0%         | SOPA to be held during the third quarter.   |
| OC: TRANSPORT - EVENTS/SOPA                         | 6 000,00                    | -                 | 0%         | SOPA to be held during the third quarter.   |
| <b>TOTAL</b>  | <b>1 653 200,00</b>         | <b>652 336,41</b> | <b>39%</b> |   |

The year to date actual spending on special projects for Council & Executive amounted to R652 336.41, spending to improve during the third and fourth quarter.

## OPERATING EXPENDITURE - BUDGET & TREASURY



The actual operating expenditure of Budget & Treasury office is R11, 675 million as compared to the year-to-date projected budget of R11, 911 million.

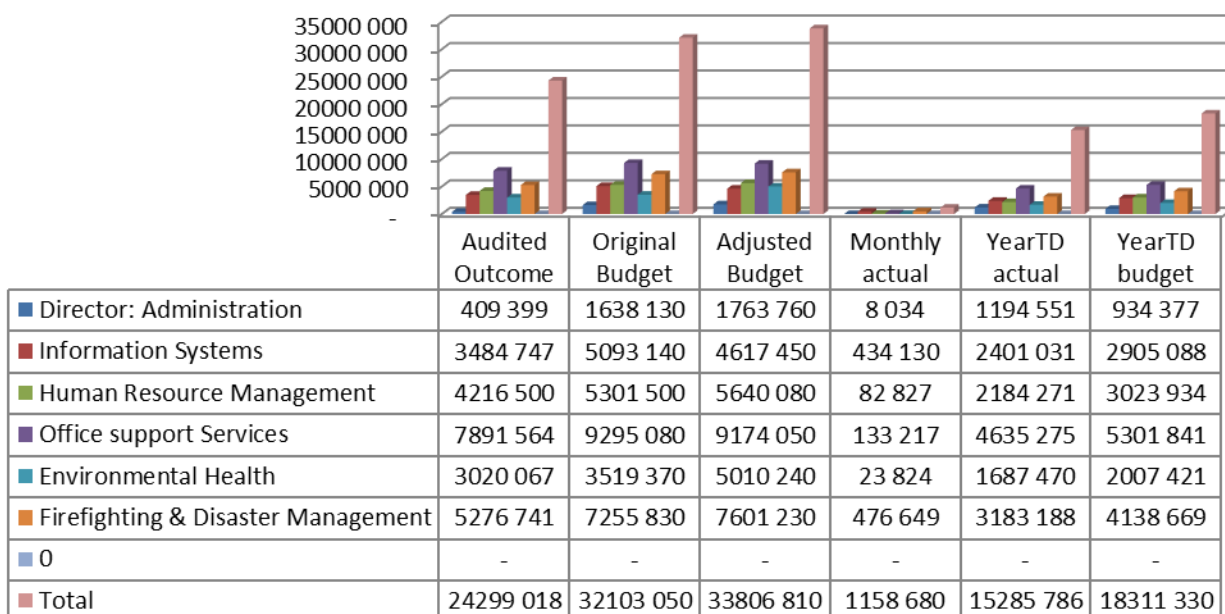
### Consolidated performance of year-to-date expenditure on special projects against full year budget (Budget & Treasury)

| DESCRIPTION                                 | FULL YEAR BUDGET 2017/18 | YTD ACTUAL        | % SPENT    | COMMENT   |
|---|--------------------------|-------------------|------------|---|
| <b>BUDGET &amp; TREASURY</b>                |                          |                   |            |   |
| <b>FINANCE &amp; ADMINISTRATION</b>         |                          |                   |            |   |
| <b>DIRECTORATE</b>                          |                          |                   |            |   |
| C&PS: B&A PROJECT MANAGEMENT/AFS            | 48 000,00                | -                 | 0%         | Commitment of R16 421 to be paid for the review of the financial statements in the fourth quarter.                        |
| C&PS: B&A PROJECT MANAGEMENT/AFS            | 152 000,00               | 111 870,00        | 74%        | Commitment of R40 130 to be paid for the review of the financial statements in the fourth quarter.                        |
| OC: T&S DOM PUB TRP - ROAD TRANSPORT/AFS    | 30 000,00                | -                 | 0%         | No expenditure incurred during the compilation of the AFS as communication with service provider was done electronically. |
| DM NC:FB-OPERATION CLEAN AUDIT              | 450 000,00               | 321 807,51        | 72%        | Expenditure to be incurred as and when the local municipalities request assistance.                                       |
| DM NC:FB-FINANCIAL SYSTEM SUPPORT (2) LM    | 200 000,00               | 193 371,83        | 97%        | Project completed with a saving.  |
| C&PS: B&A PROJECT MANAGEMENT/FIN SYSTEM SUP | 50 000,00                | -                 | 0%         | Expenditure to be incurred as and when the local municipalities request financial system support.                         |
| DM NC:FB-OPERATION CLEAN AUDIT/CAP BUILDING | 100 000,00               | -                 | 0%         | Expenditure to be incurred as the year progress.  |
| <b>TOTAL</b>                                | <b>1 030 000,00</b>      | <b>627 049,34</b> | <b>61%</b> |   |

The year to date actual spending on special projects for Budget & Treasury amounted to R627 049.34, no expenditure was incurred on special projects during February 2018. Spending to improve during the third and fourth quarter.



## OPERATING EXPENDITURE - CORPORATE SERVICES



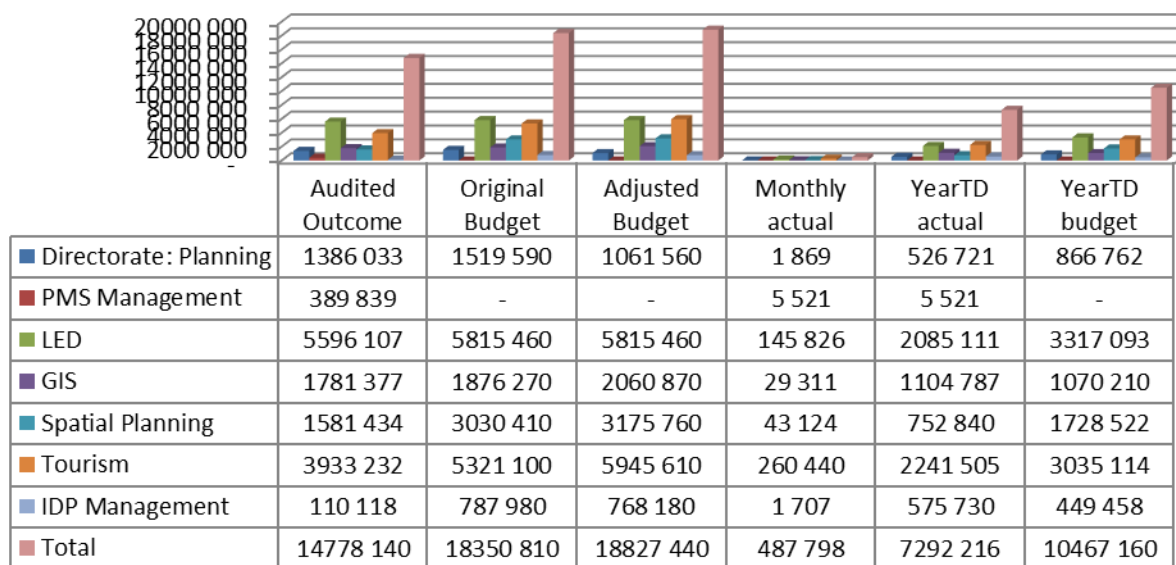
Actual operating expenditure of Corporate Services is R15, 286 million as compared to the year-to-date projected budget of R18, 311 million.

### Consolidated performance of year-to-date expenditure on special projects against full year budget (Corporate-Services)

| DESCRIPTION  | FULL YEAR<br>BUDGET 2017/18 | YTD ACTUAL       | % SPENT   | COMMENT  |
|--|-----------------------------|------------------|-----------|--|
| <b>CORPORATE SERVICES</b>                            |                             |                  |           |  |
| <b><u>INFORMATION SYSTEMS</u></b>                    |                             |                  |           |  |
| OS: CATERING SERVICES                                | 500,00                      | -                | 0%        | Movement projected in the third and fourth quarter for district forums.  |
| <b><u>HUMAN RESOURCES MANAGEMENT</u></b>             |                             |                  |           |  |
| CONTR: EMPLOYEE WELLNESS/EMP ASS PROG                | 80 000,00                   | 34 678,50        | 43%       | Expenditure to be incurred as and when the need arises, upon request from employees.   |
| CONTR: EMPLOYEE WELLNESS/EMP TEAM BUILD              | 300 000,00                  | -                | 0%        | Team building activity is in the process of being planned for the third and fourth quarter of the year.  |
| <b><u>ENVIRONMENTAL HEALTH</u></b>                   |                             |                  |           |  |
| OS: CATERING SERVICES/AWARE SANIT                    | 5 000,00                    | 4 105,89         | 82%       | Campaign was conducted during February 2018.   |
| HH OTH TRANS:HOUSING-UNSPEC/AWARE SANIT              | 7 000,00                    | 2 846,45         | 41%       | Campaign was conducted during February 2018, commitment of R2 652 to be paid in March 2018.  |
| OS: CATERING SERVICES/AIR QUALITY                    | 5 000,00                    | 2 229,53         | 45%       | No campaigns were held during February 2018, project to be completed during the third and fourth quarter.  |
| OS: CATERING SERVICES/ENV HF                         | 8 000,00                    | 3 454,00         | 43%       | Forum meeting took place during December 2017, meetings to be held during the third and fourth quarter.  |
| OS: CATERING SERVICES/COMM CAL DAY                   | 34 000,00                   | 24 443,82        | 72%       | Commemorative days were held during February 2018.   |
| OS: CATERING SERVICES/WM AWARE PROG                  | 5 000,00                    | 4 362,64         | 87%       | No campaigns were held during February 2018.   |
| HH OTH TRANS:HOUSING-UNSPEC/WM AWARE PRO             | 4 000,00                    | -                | 0%        | Campaigns were conducted during February 2018, commitment of R3 209 to be paid in March 2018.  |
| DM NC: F BAARD - WASTE WATER MAN/WM CAMP             | 10 000,00                   | 261,67           | 3%        | No campaigns were held during February 2018, project to be completed during the third and fourth quarter.  |
| HH OTH TRANS:HOUSING-UNSPEC/WM CAMP                  | 40 000,00                   | 6 142,47         | 15%       | No campaigns were held during February 2018, project to be completed during the third and fourth quarter.  |
| DM NC:FB-AWARENESS AND OTHER PROJECTS                | 500 000,00                  | -                | 0%        | Project to be implemented during the third and fourth quarter, as budget was made available during February 2018 after the adjustment budget approval. |
| <b><u>PUBLIC SAFETY</u></b>                          |                             |                  |           |  |
| <b><u>FIREFIGHTING &amp; DISASTER MANAGEMENT</u></b> |                             |                  |           |  |
| OS: CATERING SERVICES/FF VOL TRAIN                   | 50 000,00                   | -                | 0%        | Training to take place from 13-15 March 2018.  |
| OS: CATERING SERVICES/FF STIP                        | 17 000,00                   | 400,00           | 2%        | Budget to be used for deployment of volunteers in case of a disaster.  |
| OS: CATERING SERVICES/DIS MAN FOR                    | 3 000,00                    | 880,00           | 29%       | District forum meeting for the 3rd and 4th quarter still to be held.   |
| OC:ADV/PUB/MARK-GIFT&PROMO ITEMS/AW PROG             | 6 000,00                    | 1 326,23         | 22%       | To be used as per request from the Disaster Management practitioners.  |
| OC: HONORARIA (VOLUNTARILY WORKERS)                  | 14 400,00                   | -                | 0%        | Budget to be utilised as the need arise for the training of volunteer workers.   |
| <b>TOTAL</b>   | <b>1 088 900,00</b>         | <b>85 131,20</b> | <b>8%</b> |  |

The year to date actual spending on special projects for Corporate Services/Administration amounted to R85 131.20. Spending to improve as the year progress.

## OPERATING EXPENDITURE - PLANNING & DEVELOPMENT



Actual operating expenditure of Planning & Development is R7, 292 million as compared to the year-to-date projected budget of R10, 467 million.

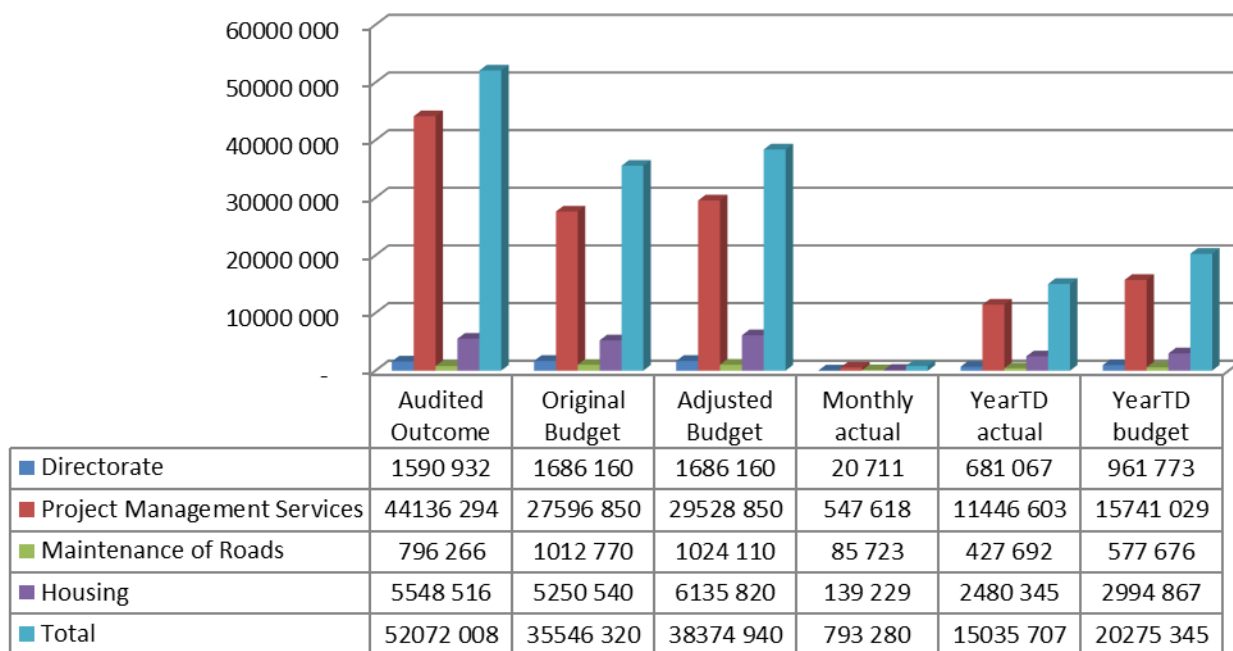
### Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

| DESCRIPTION                                      | FULL YEAR BUDGET 2017/18 | YTD ACTUAL | % SPENT | COMMENT  |
|--|--------------------------|------------|---------|--|
| <b>PLANNING &amp; DEVELOPMENT</b>                |                          |            |         |  |
| <b>LOCAL ECONOMIC DEVELOPMENT</b>                |                          |            |         |  |
| OS: B&A PROJECT MANAGEMENT/CORD STRAT            | 15 000,00                | 1 842,00   | 12%     | To be used during the 3rd and 4th quarter.   |
| OS: B&A PROJECT MANAGEMENT/SMME DEV (ROLL)       | 33 000,00                | -          | 0%      | Awaiting the certificates from SETA, with invoice for payment.   |
| OS: B&A PROJECT MANAGEMENT/LED SMME              | 600 000,00               | -          | 0%      | Awaiting delivery of items ordered.  |
| OS: B&A PROJECT MANAGEMENT/LED SMME              | 200 000,00               | 5 707,68   | 3%      | Awaiting the appointment of a service provider during February 2018.   |
| OS: B&A PROJECT MANAGEMENT/LED EXPO              | 800 000,00               | 790 048,00 | 99%     | Project completed.   |
| OS: B&A PROJECT MANAGEMENT/LED TR PR             | 6 500,00                 | -          | 0%      | SAITEX to be held in June 2018.  |
| CONTR: EXHIBIT INSTALLERS/LED TR PR              | 239 640,00               | 51 680,52  | 22%     | Awaiting the appointment of a service provider.  |
| OC:ADV/PUB/MARK- GIFT&PROMO ITEMS/LED TR         | 140 000,00               | 139 800,00 | 100%    | Functionality has been completed, project to be completed during the course of the financial year.   |
| OC: T&S DOM - ACCOMMODATION/LED TR PR            | 127 200,00               | 69 614,14  | 55%     | Ongoing expense, SAITEX to be held in June 2018.   |
| OS: B&A PROJECT MANAGEMEN/LED YOUTH ENTR         | 195 000,00               | -          | 0%      | Awaiting the appointment of a service provider.  |
| C&PS: B&A PROJECT MANAGEMENT/INCUBATION STRAT    | 220 000,00               | 1 200,00   | 1%      | Functionality has been completed, project to be completed during the course of the financial year.   |
| <b>GIS</b>                                       | -                        | -          | -       | -  |
| OS: B&A PROJECT MANAGEMENT/SP CO-FUND            | 326 180,00               | 326 173,00 | 100%    | Project complete, fund paid over to Sol Plaatje.   |
| <b>SPATIAL PLANNING</b>                          |                          |            |         |  |
| C&PS: B&A AUDIT COMMITTEE/MUN PLN TRIBUNAL       | 132 000,00               | 5 208,00   | 4%      | The DMPT meeting took place on the 15 February 2018.   |
| C&PS: B&A PROJECT MANAGEMENT/DIKG REVIEW         | 250 000,00               | 15 241,54  | 6%      | Completed phased one: Inception report and Phase two: Research, Analysis and Recommendation. Invoice has been submitted for payments (R140,734). |
| REVIEW LAND USE SCHEME PHOK                      | 250 000,00               | 17 037,34  | 7%      | Completed phased one: Inception report and Phase two: Research, Analysis and Recommendation. Invoice has been submitted for payments (R146,131). |
| <b>TOURISM</b>                                   |                          |            |         |  |
| OS: B&A PROJECT MANAGEMENT/GANS                  | 50 000,00                | -          | 0%      | In process, awaiting the appointment of a service provider.  |
| OS: B&A PROJECT MANAGEMENT/GANS                  | 750 000,00               | 121 379,62 | 16%     | Project is in process, service provider was appointed during the second quarter. Project to be implemented during the third quarter.             |
| OS: B&A PROJECT MANAGEMENT/IND EX                | 154 000,00               | 68 376,79  | 44%     | Exhibition to be held in May 2018.   |
| CONTR: EXHIBIT INSTALLERS/IND EX                 | 25 000,00                | 25 000,00  | 100%    | Exhibition to be held in May 2018, journal to be processed in March 2018 to reallocate expenditure of R25 000 used for the Get Away project.     |
| OC:ADV/PUB/MARK-GIFTS&PROMO ITEMS/IND EX         | 4 080,00                 | -          | 0%      | Exhibition to be held in May 2018.   |
| OC: T&S DOM - ACCOMMODATION/IND EX               | 52 500,00                | -          | 0%      | Exhibition to be held in May 2018.   |
| OC: T&S DOM - FOOD&BEVERAGE(SERV)/IND EX         | 12 400,00                | -          | 0%      | Exhibition to be held in May 2018.   |
| OC:T&S DOM TRP-W/OUT OPR OWN TRANP/IND E         | 7 410,00                 | -          | 0%      | Exhibition to be held in May 2018.   |
| OS: B&A PROJECT MANAGEMENT/DIAM D                | 175 000,00               | 153 508,77 | 88%     | Event to be held in March 2018.  |
| DM NC:FB-DIAMONDS & DORINGS SUPPORT              | 300 000,00               | 263 157,89 | 88%     | Funds transferred to Sol Plaatje, project complete with a saving.  |
| OS: CATERING SERVICES/TOUR BUSIN                 | 82 500,00                | 14 139,30  | 17%     | Portion of project done during November 2017, another event to be held in April 2018.  |
| OC: TRANSPORT - EVENTS/TOUR BUSIN                | 41 500,00                | 19 760,00  | 48%     | Portion of project done during November 2017, another event to be held in April 2018.  |
| N-P UB SCH: SCHOOL SUPP (OTH EDUC INST)/TOUR BUS | 181 500,00               | 34 836,20  | 19%     | Portion of project done during November 2017, another event to be held in April 2018.  |

| DESCRIPTION                                 | FULL YEAR<br>BUDGET 2017/18 | YTD ACTUAL          | % SPENT    | COMMENT   |
|---|-----------------------------|---------------------|------------|---|
| <b>PLANNING &amp; DEVELOPMENT</b>           |                             |                     |            |   |
| <b><u>TOURISM</u></b>                       |                             |                     |            |   |
| SUPPORTING GRANT-MAG TOURISM ASS            | 50 000,00                   | 19 710,87           | 39%        | Payment made to the Magareng Tourism Association, was paid during February 2018. More funds to be paid over to Magareng Tourism Association as the financial year progress. |
| NON PROF: UNSPECIFIED/TOUR BUS              | 60 000,00                   | 58 448,60           | 97%        | Portion of project done during November 2017, another event to be held in April 2018.   |
| OS: CATERING SERVICES/TOUR ASS              | 18 000,00                   | 2 000,00            | 11%        | Project is in process, second quarter meeting was held in December 2017.  |
| PRV DPT AGEN - PARK & TOURISM BOARD         | 70 000,00                   | 29 488,55           | 42%        | Payment made to the Tourism Board, more funds to be paid over to the Tourism Board during the course of the financial year.   |
| PRV DPT AGEN - PARK & TOURISM BOARD/NCTA    | 135 000,00                  | 135 000,00          | 100%       | Project is completed.   |
| SUPPORTING GRANT - DIK TOURISM ASS.         | 80 000,00                   | -                   | 0%         | Payments to be paid during the course of the financial year to the Dikgatlong Tourism Association.  |
| OS: CATERING SERVICES/EXHIB                 | 2 040,00                    | 929,91              | 46%        | Exhibition was held in September 2017, project completed with a saving.   |
| OS: CLEANING SERVICES                       | 1 050,00                    | -                   | 0%         | Event to be held in April 2018.   |
| C&PS: I&P TOWN PLANNER/TOUR ARTS CENTRE     | 550 000,00                  | -                   | 0%         | Project in process to be completed by the end of the financial year.  |
| CONTR: CATERING SERVICES/COM AWARE CAMP     | 150 000,00                  | 28 912,28           | 19%        | Project in process, one campaign was held in September 2017.  |
| CONTR: EVENT PROMOTERS/COM AWARE CAMP       | 250 000,00                  | 98 223,94           | 39%        | Project in process, one campaign was held in September 2017.  |
| CONTR: EVENT PROMOTERS/TOUR BUS             | 295 000,00                  | 201 359,16          | 68%        | Ceremony was held in November 2017, another event to be held during April 2018  |
| CONTR: EXHIBIT INSTALLERS/GETAWAY           | 25 000,00                   | -                   | 0%         | Journal to be processed during March 2018 to allocate R25 000 expenditure spent on the Get Away project which was used from the Indaba Exhibition budget.                   |
| CONTR: GRAPHIC DESIGNERS                    | 45 000,00                   | 26 526,32           | 59%        | Project in process to be completed by the end of the financial year.  |
| OC: ADV/PUB/MARK- CORP & MUN ACT/TOUR AD    | 100 000,00                  | 44 950,00           | 45%        | Project is in process, expenditure to increase as the financial year progress.  |
|   |                             |                     |            |   |
| <b><u>IDP</u></b>                           |                             |                     |            |   |
| OS: CATERING SERVICES/IDP STEER             | 3 150,00                    | 3 091,60            | 98%        | Project completed, no catering to be provided for steering committee meetings during the third and fourth quarter.  |
| INV - MATERIALS & SUPPLIES/PRINT & STAT-IDP | 58 670,00                   | 22 429,82           | 38%        | Expenditure to be incurred during the fourth quarter of the financial year.   |
| <b><u>TOTAL</u></b>                         | <b>7 263 320,00</b>         | <b>2 794 781,84</b> | <b>38%</b> |   |

The actual spending on special projects for Planning & Development amounted to R2, 794 781.84 for the month. Spending to improve as projects are being implemented.

## OPERATING EXPENDITURE - PROJECT MANAGEMENT & ADVISORY SERVICES



Actual operating expenditure of Project Management & Advisory Services is R15, 036 million as compared to the year-to-date projected budget of R20, 275 million.

### Consolidated performance of year-to-date expenditure on special projects against full year budget (Project Management & Advisory Services)

| DESCRIPTION  | FULL YEAR<br>BUDGET 2017/18 | YTD ACTUAL          | % SPENT    | COMMENT  |
|--|-----------------------------|---------------------|------------|--|
| <b>PROJECT MANAGEMENT &amp; ADVISORY SERVICES</b>    |                             |                     |            |  |
| <b>INFRASTRUCTURE SERVICES<br/>DIRECTORATE</b>       |                             |                     |            |  |
| OS: CATERING SERVICES/FORUM                          | 6 400,00                    | 3 808,00            | 60%        | Third quarter forum meeting took place during February   |
| <b>PROJECT MANAGEMENT &amp;<br/>ADVISORY SERVICE</b> |                             |                     |            |  |
| OS: B&A PROJECT<br>MANAGEMENT/RAMS                   | 2 495 800,00                | 706 024,02          | 28%        | In implementation phase. Budget will be spent throughout year as project progresses.                           |
| OC: T&S DOM -<br>ACCOMMODATION/RAMS                  | 6 200,00                    | 2 980,00            | 48%        | No meetings have been held with regards to the RAMS project for the financial year to date.                    |
| OC: T&S DOM PUB TRP - AIR<br>TRANSPORT/RAMS          | 11 000,00                   | -                   | 0%         | No meetings have been held with regards to the RAMS project for the financial year to date.                    |
| OC: T&S DOM PUB TRP - ROAD<br>TRANSPORT/RAM          | 3 000,00                    | -                   | 0%         | No meetings have been held with regards to the RAMS project for the financial year to date.                    |
| DM NC: FRANCES BAARD - PLANNING<br>& DEVEL           | 2 500 000,00                | 794 324,85          | 32%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - ROAD<br>TRANSPORT             | 400 000,00                  | -                   | 0%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 50 000,00                   | -                   | 0%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 500 000,00                  | 448 647,99          | 90%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WATER                         | 5 000 000,00                | 1 029 820,27        | 21%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WATER                         | 650 000,00                  | 440 047,35          | 68%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - PLANNING<br>& DEVEL           | 700 000,00                  | -                   | 0%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - ROAD<br>TRANSPORT             | 500 000,00                  | 121 000,00          | 24%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 68 000,00                   | 13 351,69           | 20%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 432 000,00                  | -                   | 0%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WATER                         | 800 000,00                  | 126 228,35          | 16%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WATER                         | 1 000 000,00                | 782 737,56          | 78%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WATER                         | 1 779 150,00                | 1 779 150,00        | 100%       | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WATER                         | 1 720 850,00                | 1 569 946,22        | 91%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - PLANNING<br>& DEVEL           | 700 000,00                  | -                   | 0%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - ROAD<br>TRANSPORT             | 900 000,00                  | 64 900,00           | 7%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 400 000,00                  | -                   | 0%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WATER                         | 500 000,00                  | -                   | 0%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 149 620,00                  | 149 620,00          | 100%       | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 500 000,00                  | 500 000,00          | 100%       | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 88 140,00                   | 88 133,75           | 100%       | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - ROAD<br>TRANSPORT             | 1 500 000,00                | 12 100,00           | 1%         | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| DM NC: FRANCES BAARD - WASTE<br>WATER MAN            | 1 000 000,00                | 355 060,59          | 36%        | Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims. |
| <b>HOUSING</b>                                       |                             |                     |            |  |
| OS: B&A PROJECT<br>MANAGEMENT/HOUSING PROJ           | 720 000,00                  | 119 128,00          | 17%        | In process - Completion date set for 30 April 2018.  |
| <b>TOTAL</b>   | <b>25 080 160,00</b>        | <b>9 107 008,64</b> | <b>36%</b> |  |

The actual spending on special projects for Project Management & Advisory Services amounted to R9 107 008.64 for the month. Spending in line with budget.

**IN-YEAR BUDGET STATEMENT TABLES (ANNEXURE: A)****Table C1: Monthly Budget Statement Summary**

DC9 Frances Baard - Table C1 Monthly Budget Statement Summary - M08 February

| Description  | 2016/17          | Budget Year 2017/18 |                   |                    |                    |                    |                     |                 |                    |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
|  | Audited Outcome  | Original Budget     | Adjusted Budget   | Monthly actual     | YearTD actual      | YearTD budget      | YTD variance        | YTD variance %  | Full Year Forecast |
| <b>R thousands</b>   |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| <b>Financial Performance</b>   |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Property rates   | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| Service charges  | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| Investment revenue   | 6 805            | 5 262               | 5 262             | 303                | 3 118              | 3 508              | (390)               | -11%            | 60                 |
| Transfers recognised - operational                                   | 114 013          | 118 569             | 118 698           | 134                | 48 755             | 80 712             | (31 957)            | -40%            | 1 318              |
| Other own revenue  | 1 151            | 1 727               | 1 727             | 1                  | 292                | 770                | (478)               | -62%            | 43                 |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>121 968</b>   | <b>125 558</b>      | <b>125 687</b>    | <b>438</b>         | <b>52 166</b>      | <b>84 990</b>      | <b>(32 825)</b>     | <b>-39%</b>     | <b>1 421</b>       |
| Employee costs   | 57 082           | 66 558              | 71 240            | 4                  | 32 908             | 43 263             | (10 354)            | -24%            | 60 482             |
| Remuneration of Councillors  | 5 950            | 6 369               | 6 376             | –                  | 3 569              | 4 140              | (571)               | -14%            | 5 354              |
| Depreciation & asset impairment                                      | 5 152            | 3 290               | 3 290             | 2 054              | 2 054              | 2 073              | (19)                | -1%             | 5 874              |
| Finance charges  | 2 649            | 487                 | 487               | –                  | 256                | 276                | (20)                | -7%             | 487                |
| Materials and bulk purchases   | 3 936            | 1 055               | 1 305             | 45                 | 703                | 555                | 147                 | 26%             | 1 497              |
| Transfers and grants   | 48 947           | 22 995              | 25 195            | 466                | 9 549              | 12 647             | (3 098)             | -24%            | 19 013             |
| Other expenditure  | 13 694           | 34 494              | 35 239            | 2 625              | 15 066             | 14 191             | 875                 | 6%              | 25 831             |
| <b>Total Expenditure</b>   | <b>137 409</b>   | <b>135 249</b>      | <b>143 132</b>    | <b>5 193</b>       | <b>64 105</b>      | <b>77 145</b>      | <b>(13 040)</b>     | <b>-17%</b>     | <b>118 539</b>     |
| <b>Surplus/(Deficit)</b>   | <b>(15 441)</b>  | <b>(9 690)</b>      | <b>(17 445)</b>   | <b>(4 755)</b>     | <b>(11 939)</b>    | <b>7 846</b>       | <b>(19 785)</b>     | <b>-252%</b>    | <b>(117 118)</b>   |
| Transfers and subsidies - capital (monetary allocation)              | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| Contributions & Contributed assets                                   | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>(15 441)</b>  | <b>(9 690)</b>      | <b>(17 445)</b>   | <b>(4 755)</b>     | <b>(11 939)</b>    | <b>7 846</b>       | <b>(19 785)</b>     | <b>-252%</b>    | <b>(117 118)</b>   |
| Share of surplus/ (deficit) of associate                             | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>(15 441)</b>  | <b>(9 690)</b>      | <b>(17 445)</b>   | <b>(4 755)</b>     | <b>(11 939)</b>    | <b>7 846</b>       | <b>(19 785)</b>     | <b>-252%</b>    | <b>(117 118)</b>   |
| <b>Capital expenditure &amp; funds sources</b>                       |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| <b>Capital expenditure</b>   | <b>7 325</b>     | <b>10 087</b>       | <b>14 050</b>     | <b>4</b>           | <b>1 506</b>       | <b>4 793</b>       | <b>(3 287)</b>      | <b>-69%</b>     | <b>10 087</b>      |
| Capital transfers recognised   | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| Public contributions & donations                                     | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| Borrowing  | –                | –                   | –                 | –                  | –                  | –                  | –                   | –               | –                  |
| Internally generated funds   | 10 848           | 10 087              | 14 050            | 4                  | 1 506              | 4 793              | (3 287)             | -69%            | 10 087             |
| <b>Total sources of capital funds</b>                                | <b>10 848</b>    | <b>10 087</b>       | <b>14 050</b>     | <b>4</b>           | <b>1 506</b>       | <b>4 793</b>       | <b>(3 287)</b>      | <b>-69%</b>     | <b>10 087</b>      |
| <b>Financial position</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total current assets   | 60 900           | 60 900              | 33 480            |                    | 71 622             |                    |                     |                 | 43 395             |
| Total non current assets   | 64 604           | 64 604              | 58 639            |                    | 52 278             |                    |                     |                 | 74 944             |
| Total current liabilities  | 24 890           | 24 890              | 24 890            |                    | 46 224             |                    |                     |                 | 22 767             |
| Total non current liabilities  | 32 186           | 32 186              | 32 186            |                    | 31 476             |                    |                     |                 | 30 011             |
| <b>Community wealth/Equity</b>                                       | <b>68 427</b>    | <b>65 561</b>       | <b>35 044</b>     |                    | <b>46 200</b>      |                    |                     |                 | <b>65 561</b>      |
| <b>Cash flows</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Net cash from (used) operating                                       | (5 369)          | 1 115               | (6 640)           | (6 610)            | 11 198             | 17 345             | (6 147)             | -35%            | 1 115              |
| Net cash from (used) investing                                       | (7 319)          | (10 087)            | (14 050)          | (4)                | (1 506)            | (5 645)            | 4 139               | -73%            | (10 087)           |
| Net cash from (used) financing                                       | (1 985)          | (2 224)             | (2 224)           | –                  | (1 073)            | (1 079)            | 5                   | -0%             | (2 224)            |
| <b>Cash/cash equivalents at the month/year end</b>                   | <b>54 602</b>    | <b>40 354</b>       | <b>27 189</b>     | <b>75 307</b>      | <b>63 221</b>      | <b>62 171</b>      | <b>1 050</b>        | <b>2%</b>       | <b>40 354</b>      |
| <b>Debtors &amp; creditors analysis</b>                              | <b>0-30 Days</b> | <b>31-60 Days</b>   | <b>61-90 Days</b> | <b>91-120 Days</b> | <b>121-150 Dys</b> | <b>151-180 Dys</b> | <b>181 Dys-1 Yr</b> | <b>Over 1Yr</b> | <b>Total</b>       |
| <b>Debtors Age Analysis</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total By Revenue Source  | 6 791            | 139                 | 75                | 62                 | 4                  | 6                  | 4                   | 151             | 7 232              |
| <b>Creditors Age Analysis</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total Creditors  | 36 505           | –                   | –                 | –                  | –                  | –                  | –                   | –               | 36 505             |



**Table C2 Monthly Budget Statement - Financial Performance (standard classification)**

DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M08 February

| Description                                | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |              |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|  |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance | Full Year Forecast |
| R thousands                                | 1   |                 |                     |                 |                |               |               |              | %            |                    |
| <b>Revenue - Standard</b>                  |     |                 |                     |                 |                |               |               |              |              |                    |
| <i>Governance and administration</i>       |     | 104 666         | 111 288             | 111 288         | 377            | 42 520        | 71 238        | (28 718)     | -40%         | 203                |
| Budget and treasury office                 |     | 104 666         | 111 288             | 111 288         | 377            | 42 520        | 71 238        | (28 718)     | -40%         | 203                |
| Corporate services                         |     | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| <i>Community and public safety</i>         |     | 1 815           | 1 168               | 1 168           | -              | -             | 1 168         | (1 168)      |              | 1 168              |
| Public safety                              |     | 1 015           | 368                 | 368             | -              | -             | 368           | -            |              | 368                |
| Housing                                    |     | 800             | 800                 | 800             | -              | -             | 800           | (800)        |              | 800                |
| <i>Economic and environmental services</i> |     | 15 287          | 13 052              | 13 052          | 61             | 9 645         | 12 584        | (2 939)      | -23%         | 50                 |
| Planning and development                   |     | 15 287          | 13 052              | 13 052          | 61             | 9 645         | 12 584        | (2 939)      | -23%         | 50                 |
| <i>Other</i>                               | 4   | 200             | 50                  | 179             | -              | -             | -             | -            |              | -                  |
| <b>Total Revenue - Standard</b>            | 2   | 121 968         | 125 558             | 125 687         | 438            | 52 166        | 84 990        | (32 825)     | -39%         | 1 421              |
| <b>Expenditure - Standard</b>              |     |                 |                     |                 |                |               |               |              |              |                    |
| <i>Governance and administration</i>       |     | 62 263          | 77 832              | 80 920          | 3 412          | 36 906        | 40 256        | (3 350)      | -8%          | 66 412             |
| Executive and council                      |     | 25 397          | 20 363              | 30 666          | 330            | 14 816        | 16 180        | (1 364)      | -8%          | 25 352             |
| Budget and treasury office                 |     | 20 863          | 20 881              | 21 457          | 2 424          | 11 675        | 11 911        | (235)        | -2%          | 23 693             |
| Corporate services                         |     | 16 002          | 36 588              | 28 797          | 658            | 10 415        | 12 165        | (1 750)      | -14%         | 17 367             |
| <i>Community and public safety</i>         |     | 10 825          | 5 251               | 6 136           | 616            | 5 664         | 7 134         | (1 470)      | -21%         | 10 223             |
| Public safety                              |     | 5 277           | -                   | -               | 477            | 3 183         | 4 139         | (955)        | -23%         | 6 262              |
| Housing                                    |     | 5 549           | 5 251               | 6 136           | 139            | 2 480         | 2 995         | (515)        | -17%         | 3 961              |
| Health                                     |     | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| <i>Economic and environmental services</i> |     | 60 388          | 46 845              | 56 077          | 905            | 19 294        | 26 720        | (7 426)      | -28%         | 41 904             |
| Planning and development                   |     | 10 845          | 43 325              | 51 067          | 881            | 17 606        | 24 713        | (7 106)      | -29%         | 38 506             |
| Road transport                             |     | 46 523          | -                   | -               | -              | -             | -             | -            |              | -                  |
| Environmental protection                   |     | 3 020           | 3 519               | 5 010           | 24             | 1 687         | 2 007         | (320)        | -16%         | 3 399              |
| <i>Trading services</i>                    |     | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| <i>Other</i>                               |     | 3 933           | 5 321               | -               | 260            | 2 242         | 3 035         | (794)        | -26%         | -                  |
| <b>Total Expenditure - Standard</b>        | 3   | 137 409         | 135 249             | 143 132         | 5 193          | 64 105        | 77 145        | (13 040)     | -17%         | 118 539            |
| <b>Surplus/ (Deficit) for the year</b>     |     | (15 441)        | (9 690)             | (17 445)        | (4 755)        | (11 939)      | 7 846         | (19 785)     | -252%        | (117 118)          |

**Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by Municipal vote)**

DC9 Frances Baard - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) M08 February

| Vote Description                                | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |              |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance | Full Year Forecast |
| [Insert departmental structure etc 3.]          |     |                 |                     |                 |                |               |               |              | %            |                    |
| R thousands                                     |     |                 |                     |                 |                |               |               |              |              |                    |
| <b>Revenue by Vote</b>                          | 1   |                 |                     |                 |                |               |               |              |              |                    |
| Vote 1 - Council & Executive                    |     | -               | -                   | -               | -              | -             | -             | -            |              | -                  |
| Vote 2 - Budget & Treasury                      |     | 104 666         | 111 288             | 111 288         | 377            | 42 520        | 71 238        | (28 718)     | -40,3%       | 203                |
| Vote 3 - Corporate Services                     |     | 1 015           | 368                 | 368             | -              | -             | 368           | (368)        | -100,0%      | 368                |
| Vote 4 - Planning & Development                 |     | 200             | 50                  | 179             | -              | -             | -             | -            |              | 50                 |
| Vote 5 - Project Management & Advisory Services |     | 16 087          | 13 852              | 13 852          | 61             | 9 645         | 13 384        | (3 739)      | -27,9%       | 800                |
| <b>Total Revenue by Vote</b>                    | 2   | 121 968         | 125 558             | 125 687         | 438            | 52 166        | 84 990        | (32 825)     | -38,6%       | 1 421              |
| <b>Expenditure by Vote</b>                      | 1   |                 |                     |                 |                |               |               |              |              |                    |
| Vote 1 - Council & Executive                    |     | 25 397          | 28 367              | 30 666          | 330            | 14 816        | 16 180        | (1 364)      | -8,4%        | 25 352             |
| Vote 2 - Budget & Treasury                      |     | 20 863          | 20 881              | 21 457          | 2 424          | 11 675        | 11 911        | (235)        | -2,0%        | 23 693             |
| Vote 3 - Corporate Services                     |     | 24 299          | 32 103              | 33 807          | 1 159          | 15 286        | 18 311        | (3 026)      | -16,5%       | 27 027             |
| Vote 4 - Planning & Development                 |     | 14 778          | 18 351              | 18 827          | 488            | 7 292         | 10 467        | (3 175)      | -30,3%       | 15 388             |
| Vote 5 - Project Management & Advisory Services |     | 52 072          | 35 546              | 38 375          | 793            | 15 036        | 20 275        | (5 240)      | -25,8%       | 27 079             |
| <b>Total Expenditure by Vote</b>                | 2   | 137 409         | 135 249             | 143 132         | 5 193          | 64 105        | 77 145        | (13 040)     | -16,9%       | 118 539            |
| <b>Surplus/ (Deficit) for the year</b>          | 2   | (15 441)        | (9 690)             | (17 445)        | (4 755)        | (11 939)      | 7 846         | (19 785)     | -252,2%      | (117 118)          |

**Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)**

DC9 Frances Baard - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

| Source Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |                 |               |                 |              |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|-----------------|---------------|-----------------|--------------|--------------------|
|  |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual   | YearTD budget | YTD variance    | YTD variance | Full Year Forecast |
| R thousands  |     |                 |                     |                 |                |                 |               |                 | %            |                    |
| <b>Revenue By Source</b>   |     |                 |                     |                 |                |                 |               |                 |              |                    |
| Rental of facilities and equipment                                   |     | 1 010           | 1 227               | 1 227           | —              | 251             | 437           | (186)           | -43%         | 43                 |
| Interest earned - external investments                               |     | 6 805           | 5 262               | 5 262           | 303            | 3 118           | 3 508         | (390)           | -11%         | 60                 |
| Transfers and subsidies  |     | 114 013         | 118 569             | 118 698         | 134            | 48 755          | 80 712        | (31 957)        | -40%         | 1 318              |
| Other revenue  |     | 141             | 500                 | 500             | 1              | 41              | 333           | (292)           | -88%         | —                  |
| Gains on disposal of PPE   |     | —               | —                   | —               | —              | —               | —             | —               | —            | —                  |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |     | <b>121 968</b>  | <b>125 558</b>      | <b>125 687</b>  | <b>438</b>     | <b>52 166</b>   | <b>84 990</b> | <b>(32 825)</b> | <b>-39%</b>  | <b>1 421</b>       |
| <b>Expenditure By Type</b>   |     |                 |                     |                 |                |                 |               |                 |              |                    |
| Employee related costs   |     | 57 082          | 66 558              | 71 240          | 4              | 32 908          | 43 263        | (10 354)        | -24%         | 60 482             |
| Remuneration of councillors  |     | 5 950           | 6 369               | 6 376           | —              | 3 569           | 4 140         | (571)           | -14%         | 5 354              |
| Debt impairment  |     | 2               | 3                   | 3               | —              | —               | —             | —               | —            | 3                  |
| Depreciation & asset impairment                                      |     | 5 152           | 3 290               | 3 290           | 2 054          | 2 054           | 2 073         | (19)            | -1%          | 5 874              |
| Finance charges  |     | 2 649           | 487                 | 487             | —              | 256             | 276           | (20)            | -7%          | 487                |
| Bulk purchases   |     | —               | —                   | —               | —              | —               | —             | —               | —            | —                  |
| Other materials  |     | 3 936           | 1 055               | 1 305           | 45             | 703             | 555           | 147             | 26%          | 1 497              |
| Contracted services  |     | —               | 14 532              | 19 717          | 605            | 6 019           | —             | 6 019           | #DIV/0!      | 10 811             |
| Transfers and subsidies  |     | 48 947          | 22 995              | 25 195          | 466            | 9 549           | 12 647        | (3 098)         | -24%         | 19 013             |
| Other expenditure  |     | 13 262          | 19 709              | 15 269          | 2 020          | 9 047           | 14 191        | (5 144)         | -36%         | 15 017             |
| Loss on disposal of PPE  |     | 429             | 250                 | 250             | —              | —               | —             | —               | —            | —                  |
| <b>Total Expenditure</b>   |     | <b>137 409</b>  | <b>135 249</b>      | <b>143 132</b>  | <b>5 193</b>   | <b>64 105</b>   | <b>77 145</b> | <b>(13 040)</b> | <b>-17%</b>  | <b>118 539</b>     |
| <b>Surplus/ (Deficit) for the year</b>                               |     | <b>(15 441)</b> | <b>(9 690)</b>      | <b>(17 445)</b> | <b>(4 755)</b> | <b>(11 939)</b> | <b>7 846</b>  | <b>(19 785)</b> | <b>(0)</b>   | <b>(117 118)</b>   |
| Transfers and subsidies - capital (monetary allocations)             |     |                 |                     |                 |                |                 |               |                 |              |                    |
| Transfers and subsidies - capital (monetary allocations)             |     |                 |                     |                 |                |                 |               |                 |              |                    |
| Transfers and subsidies - capital (in-kind - all)                    |     |                 |                     |                 |                |                 |               |                 |              |                    |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> |     | <b>(15 441)</b> | <b>(9 690)</b>      | <b>(17 445)</b> | <b>(4 755)</b> | <b>(11 939)</b> | <b>7 846</b>  | <b>(19 785)</b> | <b>(0)</b>   | <b>(117 118)</b>   |
| Taxation   |     |                 |                     |                 |                |                 |               |                 |              |                    |
| <b>Surplus/(Deficit) after taxation</b>                              |     | <b>(15 441)</b> | <b>(9 690)</b>      | <b>(17 445)</b> | <b>(4 755)</b> | <b>(11 939)</b> | <b>7 846</b>  |                 |              | <b>(117 118)</b>   |
| Attributable to minorities   |     |                 |                     |                 |                |                 |               |                 |              |                    |
| <b>Surplus/(Deficit) attributable to municipality</b>                |     | <b>(15 441)</b> | <b>(9 690)</b>      | <b>(17 445)</b> | <b>(4 755)</b> | <b>(11 939)</b> | <b>7 846</b>  | <b>(19 785)</b> | <b>(0)</b>   | <b>(117 118)</b>   |
| Share of surplus/ (deficit) of associate                             |     |                 |                     |                 |                |                 |               |                 |              |                    |
| <b>Surplus/ (Deficit) for the year</b>                               |     | <b>(15 441)</b> | <b>(9 690)</b>      | <b>(17 445)</b> | <b>(4 755)</b> | <b>(11 939)</b> | <b>7 846</b>  | <b>(19 785)</b> | <b>(0)</b>   | <b>(117 118)</b>   |

**Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)**

| DC9 Frances Baard - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M08 February |     |                 |                     |                 |                |               |               |              |              |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
| Vote Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |              |                    |
|  |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance | Full Year Forecast |
| R thousands  | 1   |                 |                     |                 |                |               |               |              | %            |                    |
| <b>Single Year expenditure appropriation</b>   | 2   |                 |                     |                 |                |               |               |              |              |                    |
| Vote 1 - Council & Executive   |     | 55              | 195                 | 195             | –              | 71            | 124           | (53)         | 0%           | 195                |
| Vote 2 - Budget & Treasury   |     | 1 862           | 897                 | 897             | –              | 19            | –             | 19           | 0%           | 897                |
| Vote 3 - Corporate Services  |     | 2 345           | 1 149               | 3 112           | 4              | 283           | 535           | (252)        | -47%         | 1 149              |
| Vote 4 - Planning & Development  |     | 68              | 35                  | 35              | –              | 3             | 35            | (31)         | -91%         | 35                 |
| Vote 5 - Project Management & Advisory Services  |     | 2 995           | 7 812               | 9 812           | –              | 1 130         | 4 100         | (2 970)      | -72%         | 7 812              |
| <b>Total Capital single-year expenditure</b>   | 4   | 7 325           | 10 087              | 14 050          | 4              | 1 506         | 4 793         | (3 287)      | -69%         | 10 087             |
| <b>Total Capital Expenditure</b>   |     | 7 325           | 10 087              | 14 050          | 4              | 1 506         | 4 793         | (3 287)      | -69%         | 10 087             |
| <b>Capital Expenditure - Standard Classification</b>   |     |                 |                     |                 |                |               |               |              |              |                    |
| <b>Governance and administration</b>   |     | 2 386           | 2 230               | 2 293           | 3              | 372           | 659           | (286)        | -43%         | 2 230              |
| Executive and council  |     | 55              | 195                 | 195             | –              | 71            | 124           | (53)         | -43%         | 195                |
| Budget and treasury office   |     | 1 862           | 897                 | 897             | –              | 19            | –             | 19           | #DIV/0!      | 897                |
| Corporate services   |     | 469             | 1 139               | 1 202           | 3              | 283           | 535           | (252)        | -47%         | 1 139              |
| <b>Community and public safety</b>   |     | 1 876           | 11                  | 1 911           | 0              | 0             | –             | 0            | #DIV/0!      | 11                 |
| Public safety  |     | 1 867           | –                   | 1 900           | 0              | 0             | –             | 0            | #DIV/0!      | –                  |
| Health   |     | 8               | 11                  | 11              | –              | –             | –             | –            |              | 11                 |
| <b>Economic and environmental services</b>   |     | 3 063           | 7 847               | 9 844           | –              | 1 133         | 4 135         | (3 001)      | -73%         | 7 847              |
| Planning and development   |     | 68              | 7 847               | 9 844           | –              | 1 133         | 4 135         | (3 001)      | -73%         | 7 847              |
| Road transport   |     | 2 995           |                     |                 |                |               |               |              |              | –                  |
| <b>Total Capital Expenditure - Standard Classification</b>   | 3   | 7 325           | 10 087              | 14 050          | 4              | 1 506         | 4 793         | (3 287)      | -69%         | 10 087             |
| <b>Internally generated funds</b>  |     | 7 325           | 10 087              | 14 050          | 4              | 1 506         | 4 793         | (3 287)      | -69%         | 10 087             |
| <b>Total Capital Funding</b>   |     | 7 325           | 10 087              | 14 050          | 4              | 1 506         | 4 793         | (3 287)      | -69%         | 10 087             |

**Table C6 Monthly Budget Statement - Financial Position**

| DC9 Frances Baard - Table C6 Monthly Budget Statement - Financial Position - M08 February |     |                 |                     |                 |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|--------------------|
| Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |                    |
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | YearTD actual  | Full Year Forecast |
| R thousands   | 1   |                 |                     |                 |                |                    |
| <b>ASSETS</b>   |     |                 |                     |                 |                |                    |
| <b>Current assets</b>   |     |                 |                     |                 |                |                    |
| Cash  |     | 4 598           | 354                 | 643             | (4 084)        | 354                |
| Call investment deposits  |     | 50 004          | 40 000              | 26 545          | 67 305         | 40 000             |
| Consumer debtors  |     | –               | –                   | –               | –              | –                  |
| Other debtors   |     | 5 141           | 2 000               | 5 135           | 7 232          | 2 000              |
| Current portion of long-term receivables  |     | 819             | 741                 | 819             | 819            | 741                |
| Inventory   |     | 338             | 300                 | 338             | 350            | 300                |
| <b>Total current assets</b>   |     | <b>60 900</b>   | <b>43 395</b>       | <b>33 480</b>   | <b>71 622</b>  | <b>43 395</b>      |
| <b>Non current assets</b>   |     |                 |                     |                 |                |                    |
| Long-term receivables   |     | 8 114           | 8 598               | 8 114           | 8 114          | 8 598              |
| Investments   |     | 5 950           | 5 550               | –               | 5 950          | 5 550              |
| Property, plant and equipment   |     | 49 311          | 59 174              | 49 297          | 38 214         | 59 174             |
| Intangible assets   |     | 597             | 990                 | 597             | –              | 990                |
| Other non-current assets  |     | 631             | 631                 | 631             | –              | 631                |
| <b>Total non current assets</b>   |     | <b>64 604</b>   | <b>74 944</b>       | <b>58 639</b>   | <b>52 278</b>  | <b>74 944</b>      |
| <b>TOTAL ASSETS</b>   |     | <b>125 503</b>  | <b>118 338</b>      | <b>92 120</b>   | <b>123 900</b> | <b>118 338</b>     |
| <b>LIABILITIES</b>  |     |                 |                     |                 |                |                    |
| <b>Current liabilities</b>  |     |                 |                     |                 |                |                    |
| Bank overdraft  |     | –               | –                   | –               | –              | –                  |
| Borrowing   |     | 2 179           | –                   | –               | 2 179          | –                  |
| Consumer deposits   |     | –               | –                   | –               | 4              | –                  |
| Trade and other payables  |     | 12 061          | 22 767              | 24 890          | 36 505         | 22 767             |
| Provisions  |     | 10 651          | –                   | –               | 7 535          | –                  |
| <b>Total current liabilities</b>  |     | <b>24 890</b>   | <b>22 767</b>       | <b>24 890</b>   | <b>46 224</b>  | <b>22 767</b>      |
| <b>Non current liabilities</b>  |     |                 |                     |                 |                |                    |
| Borrowing   |     | 2 485           | 2 487               | 2 485           | 29 369         | 2 487              |
| Provisions  |     | 29 701          | 27 524              | 29 701          | 2 107          | 27 524             |
| <b>Total non current liabilities</b>  |     | <b>32 186</b>   | <b>30 011</b>       | <b>32 186</b>   | <b>31 476</b>  | <b>30 011</b>      |
| <b>TOTAL LIABILITIES</b>  |     | <b>57 076</b>   | <b>52 778</b>       | <b>57 076</b>   | <b>77 700</b>  | <b>52 778</b>      |
| <b>NET ASSETS</b>   | 2   | <b>68 427</b>   | <b>65 561</b>       | <b>35 044</b>   | <b>46 200</b>  | <b>65 561</b>      |
| <b>COMMUNITY WEALTH/EQUITY</b>  |     |                 |                     |                 |                |                    |
| Accumulated Surplus/(Deficit)   |     | 48 388          | 38 590              | 11 963          | 18 204         | 38 590             |
| Reserves  |     | 20 039          | 26 971              | 23 080          | 27 996         | 26 971             |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>  | 2   | <b>68 427</b>   | <b>65 561</b>       | <b>35 044</b>   | <b>46 200</b>  | <b>65 561</b>      |

**Table C7 Monthly Budget Statement - Cash Flow**

DC9 Frances Baard - Table C7 Monthly Budget Statement - Cash Flow - M08 February

| Description                                      | Ref | 2016/17         | Budget Year 2017/18 |                 |                |                |                |                |                |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
|  |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual  | YearTD budget  | YTD variance   | YTD variance % | Full Year Forecast |
| <b>R thousands</b>                               | 1   |                 |                     |                 |                |                |                |                |                |                    |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                     |                 |                |                |                |                |                |                    |
| <b>Receipts</b>                                  |     |                 |                     |                 |                |                |                |                |                |                    |
| Ratepayers and other                             |     | 924             | 588                 | 588             | –              | 82             | 396            | (314)          | -79%           | 588                |
| Government - operating                           |     | 111 619         | 118 401             | 118 530         | 297            | 87 629         | 80 712         | 6 917          | 9%             | 118 401            |
| Government - capital                             |     | –               | –                   | –               | –              | –              | –              | –              | –              | –                  |
| Interest   |     | 6 805           | 5 262               | 5 262           | 303            | 3 118          | 3 508          | (390)          | -11%           | 5 262              |
| <b>Payments</b>                                  |     |                 |                     |                 |                |                |                |                |                |                    |
| Suppliers and employees                          |     | (75 096)        | (100 345)           | (106 028)       | (6 504)        | (55 938)       | (60 026)       | (4 088)        | 7%             | (100 345)          |
| Finance charges                                  |     | (674)           | (487)               | (487)           | –              | (256)          | (276)          | (20)           | 7%             | (487)              |
| Transfers and Grants                             |     | (48 947)        | (22 305)            | (24 505)        | (707)          | (23 436)       | (6 969)        | 16 468         | -236%          | (22 305)           |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>(5 369)</b>  | <b>1 115</b>        | <b>(6 640)</b>  | <b>(6 610)</b> | <b>11 198</b>  | <b>17 345</b>  | <b>(6 147)</b> | <b>-35%</b>    | <b>1 115</b>       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>      |     |                 |                     |                 |                |                |                |                |                |                    |
| <b>Receipts</b>                                  |     | 6               |                     |                 |                |                |                |                |                |                    |
| <b>Payments</b>                                  |     | –               |                     | –               |                |                |                |                |                |                    |
| Capital assets                                   |     | (7 325)         | (10 087)            | (14 050)        | (4)            | (1 506)        | (5 645)        | (4 139)        | 73%            | (10 087)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(7 319)</b>  | <b>(10 087)</b>     | <b>(14 050)</b> | <b>(4)</b>     | <b>(1 506)</b> | <b>(5 645)</b> | <b>(4 139)</b> | <b>73%</b>     | <b>(10 087)</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>      |     |                 |                     |                 |                |                |                |                |                |                    |
| <b>Receipts</b>                                  |     |                 |                     |                 |                |                |                |                |                |                    |
| <b>Payments</b>                                  |     |                 |                     |                 |                |                |                |                |                |                    |
| Repayment of borrowing                           |     | (1 985)         | (2 224)             | (2 224)         | –              | (1 073)        | (1 079)        | (5)            | 0%             | (2 224)            |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(1 985)</b>  | <b>(2 224)</b>      | <b>(2 224)</b>  | <b>–</b>       | <b>(1 073)</b> | <b>(1 079)</b> | <b>(5)</b>     | <b>0%</b>      | <b>(2 224)</b>     |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>     |     | <b>(14 673)</b> | <b>(11 196)</b>     | <b>(22 914)</b> | <b>(6 613)</b> | <b>8 619</b>   | <b>10 622</b>  | <b>2 003</b>   | <b>19%</b>     | <b>(11 196)</b>    |
| Cash/cash equivalents at beginning:              |     | 69 275          | 51 550              | 50 102          | 81 920         | 54 602         | 51 550         | (3 052)        | -6%            | 51 550             |
| Cash/cash equivalents at month/year end:         |     | 54 602          | 40 354              | 27 189          | 75 307         | 63 221         | 62 171         | (1 050)        | -2%            | 40 354             |

## 5. SUPPORTING DOCUMENTATION

### Material variance explanations

DC9 Frances Baard - Supporting Table SC1 Material variance explanations - M08 January

| Ref | Description   | Variance | Reasons for material deviations  | Remedial or corrective steps/remarks  |
|-----|---|----------|--|---|
|     | R thousands   |          |  |   |
| 1   | <u>Property rates</u>                                 |          |  |   |
|     | Rental of facilities and equipment                    | -43%     | The demand for the rental of facilities and equipment is lower than anticipated. Local municipalities may be using other service providers to rent the facilities and equipment. | Communicate with the local municipalities and encourage them to make use of the district municipality for the rental of facilities and equipment. Market the facilities and equipment to the public to inform them of the availability of the service provided by the municipality. |
|     | Interest earned - external investments                | -11%     | Interest earned will improve as the year progress.   | None needed.  |
|     | Other income  | -88%     | The revenue expected from other sources will improve as the year progress.   | None needed.  |
| 2   | <u>Employee related costs</u>                         |          |  |   |
|     | Salaries  | -24%     | Employee related cost is lower than budgeted for.  | Positions are advertised, will be filled as soon as possible.   |
|     | Other Materials                                       | 26%      | Will be used at the end of the financial year.   | None needed.  |
|     | Transfers and grants                                  | -24%     | Will improve as the year progress and projects are implemented within the local municipalities.  | Communicate with local municipalities to utilise the funds available to them from the district municipality for the relevant projects.  |
|     | Other expenditure                                     | -36%     | Less money spent on other expenditure than anticipated.  | Consult with managers, to ensure that spending is as planned.   |
| 3   | <u>Capital expenditure</u>                            |          |  |   |
|     | Capital expenditure                                   | -69%     | Capital projects are in the execution phase as per the procurement plan.   | Managers of the different units need to monitor the capital expenditure of their units and ensure that they are on track.   |
| 4   | <u>Financial Position</u>                             |          |  |   |
|     | Current Assets  | 18%      | Current assets shows an increase of 105% which is mainly   | None needed.  |
|     | Non-Current Liabilities                               | -2%      | There is an increase in the non-current liabilities mainly due to the increase in provisions for the year.   | None needed.  |
|     | Accumulated Surplus                                   | -62%     | Accumulated surplus shows an increase of 123% which is a   | None needed.  |
| 5   | <u>Cash Flow</u>                                      |          |  |   |
|     | Net cash from operating / (used) Operating Activities | -14%     | Net cash from operating activities is above the year-to-date budget as a result of expenditure being lower than budgeted   | None needed.  |
|     | Net cash from operating / (used) Investing Activities | -744%    | Payments relating to capital assets will improve as the year progress  | None needed.  |

More detail on operating variances is available on pages 04 to 20 of this report.

**Table SC2 Monthly Budget Statement - performance indicators**

| DC9 Frances Baard - Supporting Table SC2 Monthly Budget Statement - performance indicators - M08 February |   |     |                 |                     |                 |               |                    |
|---|---|-----|-----------------|---------------------|-----------------|---------------|--------------------|
| Description of financial indicator  | Basis of calculation  | Ref | 2016/17         | Budget Year 2017/18 |                 |               |                    |
|   |   |     | Audited Outcome | Original Budget     | Adjusted Budget | YearTD actual | Full Year Forecast |
| Percentage  |   |     |                 |                     |                 |               |                    |
| <b><u>Borrowing Management</u></b>  |   |     |                 |                     |                 |               |                    |
| Borrowing to Asset Ratio  | Total Long-term Borrowing/ Total Assets   |     | 2,0%            | 2,1%                | 2,7%            | 23,7%         | 0,0%               |
| Capital Charges to Operating Expenditure  | Interest & principal paid/Operating Expenditure   |     | 5,7%            | 2,8%                | 2,6%            | 0,4%          | 4,9%               |
| Borrowed funding of capital expenditure   | Borrowings/Capital expenditure excl. transfers and grants                                     |     | 0,0%            | 0,0%                | 0,0%            | 0,0%          | 0,0%               |
| <b><u>Safety of Capital</u></b>   |   |     |                 |                     |                 |               |                    |
| Debt to Equity  | Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves                          |     | 24,4%           | 38,5%               | 78,1%           | 147,3%        | 38,5%              |
| Gearing   | Long Term Borrowing/ Funds & Reserves   |     | 12,4%           | 9,2%                | 10,8%           | 104,9%        | 9,2%               |
| <b><u>Liquidity</u></b>   |   |     |                 |                     |                 |               |                    |
| Current Ratio 1   | Current assets/current liabilities  | 1   | 244,7%          | 190,6%              | 134,5%          | 154,9%        | 190,6%             |
| Liquidity Ratio   | Monetary Assets/Current Liabilities   |     | 243,3%          | 201,6%              | 109,2%          | 149,6%        | 201,6%             |
| <b><u>Revenue Management</u></b>  |   |     |                 |                     |                 |               |                    |
| Annual Debtors Collection Rate (Payment Level %)  | Last 12 Mths Receipts/ Last 12 Mths Billing   |     |                 |                     |                 |               |                    |
| Outstanding Debtors to Revenue  | Total Outstanding Debtors to Annual Revenue   |     | 11,5%           | 9,0%                | 11,2%           | 31,0%         | 797,8%             |
| Longstanding Debtors Reduction Due To Recovery  | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old                                     |     | 0,0%            | 0,0%                | 0,0%            | 0,0%          | 0,0%               |
| <b><u>Creditors Management</u></b>  |   |     |                 |                     |                 |               |                    |
| Creditors System Efficiency   | % of Creditors Paid Within Terms (within MFMA s 65(e))  |     | 100,0%          | 100,0%              | 100,0%          | 100,0%        | 100,0%             |
| <b><u>Funding of Provisions</u></b>   |   |     |                 |                     |                 |               |                    |
| Percentage Of Provisions Not Funded   | Unfunded Provisions/Total Provisions  |     | 0,0%            | 0,0%                | 0,0%            | 0,0%          | 0,0%               |
| <b><u>Other Indicators</u></b>  |   |     |                 |                     |                 |               |                    |
| Employee costs  | Employee costs/Total Revenue - capital revenue  |     | 46,8%           | 53,0%               | 56,7%           | 63,1%         | 4255,5%            |
| Repairs & Maintenance   | R&M/Total Revenue - capital revenue   |     | 3,2%            | 0,8%                | 1,0%            | 0,1%          | 49,4%              |
| Interest & Depreciation   | I&D/Total Revenue - capital revenue   |     | 6,4%            | 3,0%                | 3,0%            | 0,5%          | 411,0%             |
| <b><u>IDP regulation financial viability indicators</u></b>   |   |     |                 |                     |                 |               |                    |
| i. Debt coverage  | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) |     | 202,0%          | 1435,2%             | 0,0%            | 156,5%        | 40,3%              |
| iii. Cost coverage  | (Av ailable cash + Investments)/monthly fixed operational ex penditure                        |     | 12,2            | 1,1                 | 0,9             | 1,9           | 0,7                |

The above ratios indicate that the municipality is financially stable and adequately funded to continue with its operations. The year-to-date ratio of employee costs as compared to the total revenue – capital revenue for the year to date is 63.1%.

The municipality still depends on grant funding of over 94.4% to fund its operations. All municipal provisions and the capital replacement reserve are cash backed and the cash and cash equivalents are sufficient to cover outstanding debt.

**Table SC3 Monthly Budget Statement - aged debtors**

| DC9 Frances Baard - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February |             |                     |            |            |             |             |             |              |            |              |           |            |
|---|-------------|---------------------|------------|------------|-------------|-------------|-------------|--------------|------------|--------------|-----------|------------|
| Description   | NT Code     | Budget Year 2017/18 |            |            |             |             |             |              |            |              |           |            |
| R thousands   |             | 0-30 Days           | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr   | Total        | Bad Debts | >90 days   |
| <b>Debtors Age Analysis By Revenue Source</b>   |             |                     |            |            |             |             |             |              |            |              |           |            |
| Rates   | 1200        |                     |            |            |             |             |             |              |            | –            |           | –          |
| Electricity   | 1300        |                     |            |            |             |             |             |              |            | –            |           | –          |
| Water   | 1400        |                     |            |            |             |             |             |              |            | –            |           | –          |
| Sewerage / Sanitation   | 1500        |                     |            |            |             |             |             |              |            | –            |           | –          |
| Refuse Removal  | 1600        |                     |            |            |             |             |             |              |            | –            |           | –          |
| Housing (Rental Revenue)  | 1700        |                     |            |            |             |             |             |              |            | –            |           | –          |
| Other   | 1900        | 6 791               | 139        | 75         | 62          | 4           | 6           | 4            | 151        | 7 232        |           | 227        |
| <b>Total By Revenue Source</b>  | <b>2000</b> | <b>6 791</b>        | <b>139</b> | <b>75</b>  | <b>62</b>   | <b>4</b>    | <b>6</b>    | <b>4</b>     | <b>151</b> | <b>7 232</b> | <b>–</b>  | <b>227</b> |
| <b>Debtors Age Analysis By Customer Category</b>  |             |                     |            |            |             |             |             |              |            |              |           |            |
| Government  | 2200        | 133                 | 134        | 71         | 105         | –           | –           | –            | –          | 443          |           |            |
| Business  | 2300        | –                   | –          | –          | –           | –           | –           | –            | –          | –            |           |            |
| Households  | 2400        | –                   | –          | –          | –           | –           | –           | –            | –          | –            |           |            |
| Other   | 2500        | 6 658               | 5          | 4          | (44)        | 4           | 6           | 4            | 151        | 6 789        |           |            |
| <b>Total By Customer Category</b>   | <b>2600</b> | <b>6 791</b>        | <b>139</b> | <b>75</b>  | <b>62</b>   | <b>4</b>    | <b>6</b>    | <b>4</b>     | <b>151</b> | <b>7 232</b> | <b>–</b>  |            |

Municipal debtors consist of three main groups, namely:

- Provincial or Local government bodies for services rendered to or on behalf of these bodies,
- Ex-employees entitled to post-service benefits, and
- Other entities by way of service delivery for which costs are to be recovered.

The matters reported below are in respect of debts outstanding in excess of 90 days on the effective reporting date.

- ***Provincial and Local Government***

There is one outstanding debt for more than 90 days as at 28 February 2018 in respect of Provincial and Local Governments Department.

➤ Department of Safety R43 641.90

- ***Post-Service Benefits***

There is one outstanding debt reflected for more than 90 days as at 28 February 2018

➤ Kgantsi N.G R21 490.00 for over payment of post medical aid contribution benefit. Ms. Kgantsi made a payment arrangement of R500 at the Office of State Attorney.

- ***Sundry Debtors***

The following outstanding debts reflected for more than 90 days as at 28 February 2018 for sundry debtors.

- Councillor MM Moloi R56 052.60 the account was handed over to Office of the State Attorney for collection;
- Councillor PD Bishop R3 337.29; and
- MR KK Moruri R7 425, the matter will be referred back to MPAC.



- ***Repayment of failed courses by councilors:***

- Councillor W. Johnson R12 955.51;
- Councillor PR. Molefi R6 875.41; and
- Councillor T. Nicholas R8 771.76.

The above mentioned councilors were handed over to the Office of State Attorney for collection.

- **Over payment of salaries**

- Councillor BM Maribe R3 465.25. Councillor Maribe signed a commitment to pay the municipality an amount of R500 a month until the expenditure is fully recovered.

**Table SC4 Monthly Budget Statement - aged creditors**

| DC9 Frances Baard - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February |             |                     |              |              |               |                |                |                   |             |               |   |
|---|-------------|---------------------|--------------|--------------|---------------|----------------|----------------|-------------------|-------------|---------------|---|
| Description   | NT Code     | Budget Year 2017/18 |              |              |               |                |                |                   |             |               | Prior year totals for chart (same period) |
|   |             | 0 - 30 Days         | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total         |   |
| R thousands   |             |                     |              |              |               |                |                |                   |             |               |   |
| <b>Creditors Age Analysis By Customer Type</b>  |             |                     |              |              |               |                |                |                   |             |               |   |
| Bulk Electricity  | 0100        |                     |              |              |               |                |                |                   |             | -             |   |
| Bulk Water  | 0200        |                     |              |              |               |                |                |                   |             | -             |   |
| PAYE deductions   | 0300        |                     |              |              |               |                |                |                   |             | -             |   |
| VAT (output less input)   | 0400        |                     |              |              |               |                |                |                   |             | -             |   |
| Pensions / Retirement deductions  | 0500        |                     |              |              |               |                |                |                   |             | -             |   |
| Loan repayments   | 0600        |                     |              |              |               |                |                |                   |             | -             |   |
| Trade Creditors   | 0700        |                     |              |              |               |                |                |                   |             | -             |   |
| Auditor General   | 0800        |                     |              |              |               |                |                |                   |             | -             |   |
| Other   | 0900        | 36505483            | -            | -            | -             | -              | -              | -                 | -           | 36 505        |   |
| <b>Total By Customer Type</b>   | <b>2600</b> | <b>36 505</b>       | <b>-</b>     | <b>-</b>     | <b>-</b>      | <b>-</b>       | <b>-</b>       | <b>-</b>          | <b>-</b>    | <b>36 505</b> | <b>-</b>                                  |

The expenditure section continues to administer, manage, assess and improve creditors, salaries and sundry payments subject to internal recommendations.

**Trade Creditors:**

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month ended on the 28 February 2018 is listed below:

| <b>FRANCES BAARD DISTRICT MUNICIPALITY</b> |   |           |                    |
|--|---|-----------|--------------------|
| <b>EXPENDITURE STATISTICS</b>              |   |           | <b>Feb-18</b>      |
|  |   |           |                    |
|  | <b>PAYMENTS</b>                           |           |                    |
|  | Total value of all payments               |           | <b>R 7 212 948</b> |
|  | Electronic transfers                      |           | 186                |
|  | Cheques issued                            |           | 4                  |
|  |   |           |                    |
|  | <b>SALARIES</b>                           |           |                    |
|  | Number of salary beneficiaries            |           | <b>169</b>         |
|  | Councillors                               |           | <b>26</b>          |
|  | <b>Total Councillors</b>                  | <b>27</b> |                    |
|  | * Councillors Position - Vacant           | 0         |                    |
|  | * Councillors with Remuneration           | 26        |                    |
|  | * Councillors without Remuneration        | 1         |                    |
|  |   |           |                    |
|  | <b>Employees</b>                          |           | <b>143</b>         |
|  | * Remunerated Employee's                  | 139       |                    |
|  | * <b>Remunerated Terminated Employees</b> |           |                    |
|  |   | 2         |                    |
|  | Pensioners                                | 2         |                    |
|  |   |           |                    |
|  | <b>Total remuneration paid</b>            |           | <b>2 636 040</b>   |
|  | Councillors                               |           | 362 990            |
|  | Employees                                 |           | 2 203 667          |
|  | Pensioners                                |           | 2 841              |

Internal controls in the expenditure unit are continuously being assessed and tightened up to allow closer monitoring of daily purchases.

**SUPPLY CHAIN MANAGEMENT:**

Council is empowered by the MFMA and its regulation to exercise oversight over the implementation of the Supply Chain Management Policy. The following is hereby reported as stipulated in the SCM Policy. Council adopted a new procurement policy effective from 20 September 2017.

**Implementation of the approved Supply Chain Management Policy:**

The approved Supply Chain Management Policy on 20 September 2017 was implemented and maintained by all relevant role players.

- **Implementation of the Supply Chain Management Process.**

- **Training of Supply Chain Management Officials**

No training was attended by SCM officials during the month of February 2018.

- **Demand Management**

Bids and quotations were invited in accordance with the Supply Chain Management Policy. Bid documents used were customised, standard bid documents prescribe by National Treasury. All preconditions were enforced during the opening of bids including the verification on Tax Clearance Certificates issued by SARS. The procurement plan for 2017-18 was approved by the Municipal Manager.

- **Acquisition Management**

For the period of February 2018, one contract (R200 000 +) was awarded by the Municipal Manager.

1. Geotechnical report for the upgrading of the Ganspan-Pan wetland reserve- THOKA GEOSCIENCES for R165 414.00 VAT inclusive.

For the period of February 2018 no written quotations (R30 000-R200 000) were awarded by the Municipal Manager.

**Total orders issued total R1 252 558.01**

Orders per department:

|                        |              |
|------------------------|--------------|
| Council & Executive    | R 31 416.02  |
| Municipal Manager      | R 108 921.88 |
| Finance                | R 70 347.88  |
| Administration         | R 291 239.97 |
| Planning & Development | R 115 721.80 |
| Project management     | R 634 910.46 |

**a. Disposal Management**

There were no disposals for the month of February 2018.

**b. Deviations**

No deviation was approved by the Municipal Manager in the month of February 2018.

**c. Issues from Stores**

Total orders issued total R39 808.48

Issues per department

|                        |            |
|------------------------|------------|
| Council & Executive    | R 9 606.68 |
| Municipal Manager      | R 6 740.98 |
| Finance                | R 1 966.10 |
| Administration         | R20 310.72 |
| Planning & Development | R 104.50   |
| Technical service      | R 1 079.50 |

**d. List of accredited Service Providers**

All the suppliers of the municipality are registered on the Central Supplier Database (CSD). Internal supplier's database is updated daily and the database is amended to make provision for the MBD 4 and MBD 9 forms as required by the AG report.

**e. Support to Local Municipalities**

No official request received from any local municipality to assist in February 2018.

**Table SC5 Monthly Budget Statement - investment portfolio**

| DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February |     |                         |                       |                                 |                                      |                                 |  |                              |   |
|---|-----|-------------------------|-----------------------|---------------------------------|--------------------------------------|---------------------------------|--|------------------------------|---|
| Investments by maturity<br>Name of institution & investment ID  | Ref | Period of<br>Investment | Type of<br>Investment | Expiry date<br>of<br>investment | Accrued<br>interest for<br>the month | Yield for the<br>month 1<br>(%) | Market<br>value at<br>beginning<br>of the<br>month | Change in<br>market<br>value | Market<br>value at end<br>of the<br>month |
| R thousands   |     | Yrs/Months              |                       |                                 |                                      |                                 |  |                              |   |
| <b>Municipality</b>   |     |                         |                       |                                 |                                      |                                 |  |                              |   |
| NEDCOR  |     | 365                     | notice                | 2018-06-27                      | –                                    | 8,65%                           | 5 950  |                              | 5 950                                     |
| NEDCOR  |     | 28                      | call                  | 2018-02-28                      | 10                                   | 6,45%                           | 2 000  |                              | 2 000                                     |
| NEDCOR  |     | 120                     | notice                | 2018-03-09                      | 64                                   | 7,61%                           | 11 000   |                              | 11 000                                    |
| NEDCOR  |     | 120                     | notice                | 2018-04-10                      | 33                                   | 7,72%                           | 5 500  |                              | 5 500                                     |
| STANDARD BANK   |     | 120                     | notice                | 2018-03-09                      | 70                                   | 7,60%                           | 12 000   |                              | 12 000                                    |
| STANDARD BANK   |     | 120                     | notice                | 2018-04-10                      | 26                                   | 7,65%                           | 4 500  |                              | 4 500                                     |
| ABSA  |     | 120                     | notice                | 2018-03-08                      | 51                                   | 7,37%                           | 9 000  |                              | 9 000                                     |
| ABSA  |     | 120                     | notice                | 2018-04-10                      | 20                                   | 7,41%                           | 3 500  |                              | 3 500                                     |
| RMB   |     | 122                     | notice                | 2018-03-12                      | 44                                   | 7,20%                           | 8 000  |                              | 8 000                                     |
| FNB   |     | 120                     | notice                | 2018-04-10                      | 26                                   | 7,66%                           | 4 500  |                              | 4 500                                     |
| ABSA  |     | 28                      | call                  | 2018-02-28                      | 8                                    | 6,65%                           | 1 501  |                              | 1 501                                     |
| ABSA  |     | 28                      | call                  | 2018-02-28                      | 10                                   | 6,55%                           | 2 000  |                              | 2 000                                     |
|   |     |                         |                       |                                 |                                      |                                 |  |                              |   |
| <b>TOTAL INVESTMENTS AND INTEREST</b>   |     |                         |                       |                                 | 362                                  |                                 | 69 451   | –                            | 69 451                                    |
| <b>TOTAL INVESTMENTS AND INTEREST</b>   | 2   |                         |                       |                                 | 362                                  |                                 | 69 451   | –                            | 69 451                                    |

Surplus cash is invested at approved banking institutions in accordance with current cash and investment policy.

Table SC6 Monthly Budget Statement - transfers and grant receipts

| DC9 Frances Baard - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February |     |                 |                     |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |                |                    |
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>RECEIPTS:</b>  | 1,2 |                 |                     |                 |                |               |               |              |                |                    |
| <b>Operating Transfers and Grants</b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>National Government:</b>   |     | 109 911         | 117 251             | 117 251         | 134            | 90 048        | 89 956        | 92           | 0,1%           | 117 251            |
| Local Government Equitable Share  |     | -               | 8 268               | 8 268           | -              | 8 268         | 8 268         | -            |                | 8 268              |
| Special Contribution: Councillor Remuneration   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Levy replacement  | 3   | 105 416         | 104 049             | 104 049         | -              | 79 824        | 79 824        | -            |                | 104 049            |
| Finance Management Grant  |     | 1 068           | 1 250               | 1 250           | 73             | 777           | 1 250         | (473)        | -37,9%         | 1 250              |
| Municipal Systems Improvement   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Extended Public Works Programme   |     | 1 000           | 1 168               | 1 168           | 58             | 372           | 195           | 177          | 90,9%          | 1 168              |
| Roads asset management  |     | 2 427           | 2 516               | 2 516           | 3              | 808           | 419           | 389          | 92,7%          | 2 516              |
|   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Provincial Government:</b>   |     | 4 015           | 1 218               | 1 347           | -              | -             | 203           | (203)        | -100,0%        | 1 218              |
| Housing   | 4   | -               | 800                 | 800             | -              | -             | 133           | (133)        | 100,0%         | 800                |
| Near Grant  |     | 350             | 368                 | 368             | -              | -             | 61            | (61)         | -100,0%        | 368                |
| Fire Fighting Equipment Grant   |     | 665             | 50                  | 50              | -              | -             | 8             | (8)          | -100,0%        | 50                 |
| NC Tourism  |     | 200             | -                   | 129             | -              | -             | -             | -            |                | -                  |
| Housing Project   |     | 800             | -                   | -               | -              | -             | -             | -            |                | -                  |
| District Aids Programme   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Operation Khptso Pula Nala  |     | 2 000           | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other transfers and grants [ABSA Donation]  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>District Municipality:</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
|   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Other grant providers:</b>   |     | 86              | 100                 | 100             | -              | (95)          | 181           | 53           | 29,3%          | 100                |
| SETA Skills Grant   |     | 86              | 100                 | 100             | -              | 70            | 17            | 53           | 317,2%         | 100                |
| ABSA  |     | -               | -                   | -               | -              | (164)         | 164           | -            |                | -                  |
| <b>Total Operating Transfers and Grants</b>   | 5   | 114 013         | 118 569             | 118 698         | 134            | 89 954        | 90 340        | (58)         | -0,1%          | 118 569            |
| <b>Capital Transfers and Grants</b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>National Government:</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Municipal Infrastructure (MIG)  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Water Affairs   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| EPWP  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Provincial Government:</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
|   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>District Municipality:</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
|   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Other grant providers:</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
|   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Total Capital Transfers and Grants</b>   | 5   | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>   | 5   | 114 013         | 118 569             | 118 698         | 134            | 89 954        | 90 340        | (58)         | -0,1%          | 118 569            |

**Table SC7 Monthly Budget Statement - transfers and grant expenditure**

DC9 Frances Baard - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - M08 February

| Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands   |     |                 |                     |                 |                |               |               |              | %              |                    |
| <b>EXPENDITURE</b>  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Operating expenditure of Transfers and Grants</b>        |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>National Government:</b>                                 |     | 43 402          | 117 251             | 117 251         | 134            | 48 755        | 47 876        | 879          | 1,8%           | 117 251            |
| Local Government Equitable Share                            |     | –               | 8 268               | 8 268           | –              | 2 988         | –             | 2 988        | #DIV/0!        | 8 268              |
| Special Contribution: Councillor Remuneration               |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Levy replacement  |     | 38 906          | 104 049             | 104 049         | –              | 43 811        | 44 587        | (776)        | -1,7%          | 104 049            |
| Finance Management Grant                                    |     | 1 068           | 1 250               | 1 250           | 73             | 777           | 833           | (57)         | -6,8%          | 1 250              |
| Municipal Systems Improvement                               |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Extended Public Works Programme                             |     | 1 000           | 1 168               | 1 168           | 58             | 372           | 779           | (407)        | -52,3%         | 1 168              |
| Roads asset management                                      |     | 2 427           | 2 516               | 2 516           | 3              | 808           | 1 677         | (869)        | -51,8%         | 2 516              |
| <b>Provincial Government:</b>                               |     | 5 459           | 1 218               | 1 347           | –              | –             | 812           | (812)        | -100,0%        | 1 218              |
| Housing   |     | –               | 800                 | 800             | –              | –             | 533           | (533)        | -100,0%        | 800                |
| Near Grant  |     | 350             | 368                 | 368             | –              | –             | 245           | (245)        | –              | 368                |
| Fire Fighting Equipment Grant                               |     | 446             | 50                  | 50              | –              | –             | 33            | (33)         | -100,0%        | 50                 |
| NC Tourism  |     | 2 606           | –                   | 129             | –              | –             | –             | –            | –              | –                  |
| Operation Khptso Pula Nala                                  |     | 2 056           | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>District Municipality:</b>                               |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Other grant providers:</b>                               |     | 86              | 100                 | –               | –              | –             | 67            | (67)         | –              | 100                |
| SETA Skills Grant   |     | 86              | 100                 | –               | –              | –             | 67            | (67)         | –              | 100                |
| <b>Total operating expenditure of Transfers and Grants:</b> |     | 48 947          | 118 569             | 118 598         | 134            | 48 755        | 48 755        | 0            | 0,0%           | 118 569            |
| <b>Capital expenditure of Transfers and Grants</b>          |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>National Government:</b>                                 |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Municipal Infrastructure (MIG)                              |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| Water Affairs   |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| EPWP  |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Provincial Government:</b>                               |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>District Municipality:</b>                               |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Other grant providers:</b>                               |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>Total capital expenditure of Transfers and Grants</b>    |     | –               | –                   | –               | –              | –             | –             | –            | –              | –                  |
| <b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>            |     | 48 947          | 118 569             | 118 598         | 134            | 48 755        | 48 755        | 0            | 0,0%           | 118 569            |

Table SC8 Monthly Budget Statement - councillor and staff benefits

| DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February |     |                 |                     |                 |                |               |               |                 |                |                    |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|-----------------|----------------|--------------------|
| Summary of Employee and Councillor remuneration  | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |                 |                |                    |
|  |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance    | YTD variance % | Full Year Forecast |
| R thousands  |     |                 |                     |                 |                |               |               |                 |                |                    |
|  | 1   | A               | B                   | C               |                |               |               |                 |                | D                  |
| <b>Councillors (Political Office Bearers plus Other)</b>   |     |                 |                     |                 |                |               |               |                 |                |                    |
| Salary   |     | 4 638           | 5 239               | 5 306           | –              | 2 733         | 3 405         | (672)           | -20%           | 4 100              |
| Pension Contributions  |     | 16              | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Medical Aid Contributions  |     | 1               | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Motor vehicle allowance  |     | 999             | 1 027               | 1 007           | –              | 620           | 668           | (48)            | -7%            | 929                |
| Cell phone and other allowances  |     | 295             | 103                 | 64              | –              | 217           | 67            | 150             | 225%           | 325                |
| Workmen's Compensation   |     | –               | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Other benefits and allowances  |     | –               | –                   | –               | –              | –             | –             | –               | –              | –                  |
| <b>Sub Total - Councillors</b>   |     | <b>5 950</b>    | <b>6 369</b>        | <b>6 376</b>    | <b>–</b>       | <b>3 569</b>  | <b>4 140</b>  | <b>(571)</b>    | <b>-14%</b>    | <b>5 354</b>       |
| <b>% increase</b>  | 4   |                 |                     | 7,2%            |                |               |               |                 |                | -10,0%             |
| <b>Senior Managers of the Municipality</b>   | 3   |                 |                     |                 |                |               |               |                 |                |                    |
| Basic Salaries and Wages   |     | 3 555           | 5 109               | 4 509           | –              | 3 267         | 3 321         | (54)            | -2%            | 4 901              |
| Pension and UIF Contributions  |     | 452             | 224                 | 269             | –              | 224           | 146           | 78              | 54%            | 334                |
| Medical Aid Contributions  |     | 34              | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Overtime   |     | –               | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Performance Bonus  |     | 653             | 784                 | 648             | –              | –             | 510           | (510)           | -100%          | 648                |
| Motor Vehicle Allowance  |     | 569             | 271                 | 271             | –              | 157           | 176           | (19)            | -11%           | 235                |
| Cellphone Allowance  |     | 66              | 96                  | 96              | –              | 47            | 62            | (15)            | -25%           | 71                 |
| Housing Allowances   |     | 11              | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Other benefits and allowances  |     | 38              | 118                 | 118             | –              | 0             | 77            | (77)            | -100%          | 0                  |
| Payments in lieu of leave  |     | (77)            | 148                 | 131             | –              | –             | 96            | (96)            | -100%          | 131                |
| Long service awards  |     | –               | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Post-retirement benefit obligations  | 2   | 568             | –                   | –               | –              | –             | –             | –               | –              | –                  |
| <b>Sub Total - Senior Managers of Municipality</b>   |     | <b>5 870</b>    | <b>6 750</b>        | <b>6 041</b>    | <b>–</b>       | <b>3 695</b>  | <b>4 388</b>  | <b>(693)</b>    | <b>-16%</b>    | <b>6 319</b>       |
| <b>% increase</b>  | 4   |                 | 15,0%               | 2,9%            |                |               |               |                 |                | 7,7%               |
| <b>Other Municipal Staff</b>   |     |                 |                     |                 |                |               |               |                 |                |                    |
| Basic Salaries and Wages   |     | 35 851          | 41 101              | 42 948          | –              | 21 808        | 26 716        | (4 908)         | -18%           | 37 827             |
| Pension and UIF Contributions  |     | 5 130           | 5 787               | 5 822           | –              | 3 186         | 3 762         | (575)           | -15%           | 4 859              |
| Medical Aid Contributions  |     | 1 665           | 1 916               | 1 988           | –              | 1 021         | 1 246         | (224)           | -18%           | 1 559              |
| Overtime   |     | 131             | 382                 | 382             | –              | 101           | 248           | (147)           | -59%           | 230                |
| Performance Bonus  |     | 2 666           | –                   | –               | –              | –             | –             | –               | –              | –                  |
| Motor Vehicle Allowance  |     | 3 251           | 2 719               | 6 469           | –              | 1 965         | 1 767         | 198             | 11%            | 2 948              |
| Cellphone Allowance  |     | 124             | 437                 | 171             | –              | 78            | 284           | (207)           | -73%           | 159                |
| Housing Allowances   |     | 344             | 663                 | 362             | –              | 213           | 431           | (218)           | -51%           | 336                |
| Other benefits and allowances  |     | 500             | 1 284               | 1 283           | –              | 293           | 835           | (541)           | -65%           | 445                |
| Payments in lieu of leave  |     | 1 330           | 1 145               | 1 405           | –              | –             | 744           | (744)           | -100%          | 1 401              |
| Long service awards  |     | 220             | 1 385               | 1 381           | 1              | 2             | 900           | (898)           | -100%          | 1 312              |
| Post-retirement benefit obligations  | 2   | –               | 2 987               | 2 987           | 3              | 545           | 1 942         | (1 396)         | -72%           | 2 981              |
| <b>Sub Total - Other Municipal Staff</b>   |     | <b>51 212</b>   | <b>59 807</b>       | <b>65 198</b>   | <b>4</b>       | <b>29 213</b> | <b>38 874</b> | <b>(9 661)</b>  | <b>-25%</b>    | <b>54 057</b>      |
| <b>% increase</b>  | 4   |                 | 16,8%               | 27,3%           |                |               |               |                 |                | 5,6%               |
| <b>Total Parent Municipality</b>   |     | <b>63 033</b>   | <b>72 926</b>       | <b>77 615</b>   | <b>4</b>       | <b>36 478</b> | <b>47 402</b> | <b>(10 924)</b> | <b>-23%</b>    | <b>65 731</b>      |
|  |     |                 | 15,7%               | 23,1%           |                |               |               |                 |                | 4,3%               |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>   |     | <b>63 033</b>   | <b>72 926</b>       | <b>77 615</b>   | <b>4</b>       | <b>36 478</b> | <b>47 402</b> | <b>(10 924)</b> | <b>-23%</b>    | <b>65 731</b>      |
| <b>% increase</b>  | 4   |                 | 15,7%               | 23,1%           |                |               |               |                 |                | 4,3%               |
| <b>TOTAL MANAGERS AND STAFF</b>  |     | <b>57 082</b>   | <b>66 557</b>       | <b>71 239</b>   | <b>4</b>       | <b>32 908</b> | <b>43 262</b> | <b>(10 354)</b> | <b>-24%</b>    | <b>60 377</b>      |



**PERSONNEL ATTENDANCES:**

Personnel attendance in the workplace (finance department) for the month of February 2018 averages 85%.

Attendance trends are summarized as follows:

|                                 |  | <b>Senior</b>     | <b>Middle</b>     | <b>Supervisory</b> | <b>Clerical</b> |
|---------------------------------|--|-------------------|-------------------|--------------------|-----------------|
|                                 |  | <b>Management</b> | <b>Management</b> |                    |                 |
| Number of Members               |  | <b>1</b>          | <b>3</b>          | <b>7</b>           | <b>11</b>       |
| Leave                           |  | 1                 | 2                 | 1                  | 9               |
| Sick Leave                      |  | 0                 | 1                 | 13                 | 10              |
| Courses / Seminar               |  | 0                 | 0                 | 0                  | 20              |
| Meetings                        |  | 0                 | 0                 | 0                  | 0               |
| Study leave                     |  | 0                 | 0                 | 0                  | 0               |
| Maternity Leave                 |  | 0                 | 0                 | 0                  | 0               |
| Family Responsibility           |  | 0                 | 0                 | 1                  | 5               |
| Union Meetings                  |  | 0                 | 0                 | 0                  | 0               |
| Absent                          |  | 0                 | 0                 | 0                  | 0               |
| Special Leave                   |  | 1                 | 3                 | 7                  | 11              |
| Over time                       |  | 0                 | 0                 | 0                  | 0               |
| No. of Workdays Attended        |  | <b>18</b>         | <b>36</b>         | <b>100</b>         | <b>165</b>      |
| Total Workdays                  |  | <b>20</b>         | <b>42</b>         | <b>122</b>         | <b>200</b>      |
| Percentage Attendance per Group |  | <b>90%</b>        | <b>86%</b>        | <b>82%</b>         | <b>83%</b>      |
| Average                         |  | <b>85%</b>        |                   |                    |                 |

**Personnel Development:**

- Four (4) finance interns attended MFMP training during the month of February 2018.

**INTERNSHIP PROGRAMME**

As per National Treasury regulations, there are five finance internship posts. The aim of the programme is to capacitate finance graduates to eventually build their capacity to take up any senior position in the municipality if possible and elsewhere in other municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the Municipal Finance Management Programme (MFMP).

One (1) intern completed the MFMP training; the other four (4) started in October 2017.

**SUPPORT OF LOCAL MUNICIPALITIES**

The municipality established a district CFO Forum on 1 October 2015. The aim of the forum is to share best practices with our local municipalities, ensuring better financial management in all our local municipalities. The regional offices of COGHSTA and Provincial Treasury are invited for meetings as support stakeholders of the municipalities.

One official from the Budget office is in the process of altering Magareng Local Municipality's Section 71 report to ensure all amounts captured on the municipal trial balance are reflected accurately on the Section 71 report. The official needs to complete the audit returns for 2016/17, however the municipality did not submit the trial balance used to compile the 2016/17 AFS. Non-submission of the audit returns could lead to the municipality not receiving their equitable share during March 2018. Information was submitted by the municipality for the completion of the Statement of Financial Position Actual (BSCA) for 2016/17 (February – June 2017), and returned to the municipality for submission to Treasury.

Two officials from the Budget office assisted Magareng Local Municipality in identifying the cause of the errors on the budget verification, between the A-Schedule and data strings submitted. Information was sent back to the municipality to make corrections before assistance could be provided on the adjustment budget however no cooperation was received from the local municipality to date.

**mSCOA Implementation Progress**

In terms of the MFMA mSCOA Circular 1, The Municipal Regulations on a Standard Chart of Accounts (mSCOA) is applicable to all municipalities and municipal entities with effect from 1 July 2017.

- The municipality has been transacting on mSCOA as of 1 July 2016;
- mSCOA version 6.2 was implement in July 2017.
- Monthly data strings are submitted to Treasury on a monthly basis, no errors have been reported on the monthly data strings.
- The PROR reports were submitted in December 2017, errors were sorted out during January and the report has been submitted successfully.
- All Debtors' and Creditors' age analysis was submitted on the portal, no errors were found on these data strings.
- The quarter 1 and 2 investment and borrowings monitoring tools were uploaded on the LG Portal, no errors were reported on these reports.
- The asset module was completed during February 2018, depreciation on the system was calculated on the system from July 2017 to February 2018.

**Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts**

| DC9 Frances Baard - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M07 January |     |                     |                |                 |                 |                |               |                 |   |                        |                        |
|---|-----|---------------------|----------------|-----------------|-----------------|----------------|---------------|-----------------|---|------------------------|------------------------|
| Description   | Ref | Budget Year 2017/18 |                |                 |                 |                |               |                 | 2015/16 Medium Term Revenue & Expenditure Framework |                        |                        |
|   |     | July Outcome        | August Outcome | Sept Outcome    | October Outcome | Nov Outcome    | Dec Outcome   | January Outcome | Ddj Budget Year 2017/18                             | Budget Year +1 2018/19 | Budget Year +2 2019/20 |
| <b>R thousands</b>  | 1   |                     |                |                 |                 |                |               |                 |   |                        |                        |
| <b>Cash Receipts By Source</b>  |     |                     |                |                 |                 |                |               |                 |   |                        |                        |
| Rental of facilities and equipment  |     | –                   | –              | –               | –               | –              | –             | 2               | 84  | 88                     | 88                     |
| Interest earned - external investments  |     | 100                 | 691            | 368             | 461             | 525            | 93            | 577             | 5 262   | 5 525                  | 5 525                  |
| Transfer receipts - operating   |     | 46 799              | 47 733         | (46 236)        | –               | 547            | 37 555        | 934             | 118 401   | 124 171                | 124 731                |
| Other revenue   |     | 49                  | 9              | 1               | 3               | (40)           | 8             | 50              | 504   | –                      | –                      |
| <b>Cash Receipts by Source</b>  |     | <b>46 948</b>       | <b>48 433</b>  | <b>(45 867)</b> | <b>464</b>      | <b>1 031</b>   | <b>37 656</b> | <b>1 564</b>    | <b>124 251</b>                                      | <b>129 784</b>         | <b>130 344</b>         |
| <b>Other Cash Flows by Source</b>   |     |                     |                |                 |                 |                |               |                 |   |                        |                        |
| Transfer receipts - capital   |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Contributions & Contributed assets  |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Proceeds on disposal of PPE   |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Short term loans  |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Borrowing long term/refinancing   |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Increase in consumer deposits   |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Receipt of non-current debtors  |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Receipt of non-current receivables  |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Change in non-current investments   |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| <b>Total Cash Receipts by Source</b>  |     | <b>46 948</b>       | <b>48 433</b>  | <b>(45 867)</b> | <b>464</b>      | <b>1 031</b>   | <b>37 656</b> | <b>1 564</b>    | <b>124 251</b>                                      | <b>129 784</b>         | <b>130 344</b>         |
| <b>Cash Payments by Type</b>  |     |                     |                |                 |                 |                |               |                 |   |                        |                        |
| Employee related costs  |     | 4 888               | 4 808          | 4 745           | 4 745           | 4 598          | 4 634         | 4 487           | 68 006  | 67 101                 | 70 769                 |
| Remuneration of councillors   |     | 2 376               | (1 354)        | 513             | 510             | 513            | 511           | 500             | 6 051   | 6 477                  | 6 724                  |
| Interest paid   |     | –                   | –              | –               | –               | –              | 256           | –               | 487   | 230                    | –                      |
| Bulk purchases - Electricity  |     | –                   | (0)            | –               | –               | –              | –             | –               | (0)   | –                      | –                      |
| Bulk purchases - Water & Sewer  |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| Other materials   |     | 51                  | 84             | 88              | 92              | 104            | 12            | 226             | 844   | 1 075                  | 1 193                  |
| Contracted services   |     | 322                 | 517            | 942             | 879             | 2 165          | 337           | 590             | 15 459  | 16 881                 | 17 086                 |
| Grants and subsidies paid - other municipalities  |     | –                   | –              | –               | –               | –              | –             | –               | –   | 8 500                  | 8 500                  |
| Grants and subsidies paid - other   |     | 7 601               | 475            | 1 748           | 4 912           | (2 901)        | 3 554         | 7 341           | 24 825  | 5 805                  | 2 191                  |
| General expenses  |     | 574                 | 911            | 1 031           | 1 199           | 1 303          | 1 076         | 458             | 15 219  | 21 498                 | 20 148                 |
| <b>Cash Payments by Type</b>  |     | <b>15 812</b>       | <b>5 441</b>   | <b>9 068</b>    | <b>12 337</b>   | <b>5 781</b>   | <b>10 379</b> | <b>13 602</b>   | <b>130 891</b>                                      | <b>127 568</b>         | <b>126 612</b>         |
| <b>Other Cash Flows/Payments by Type</b>  |     |                     |                |                 |                 |                |               |                 |   |                        |                        |
| Capital assets  |     | 37                  | 768            | 223             | –               | 43             | 384           | 48              | 14 050  | 530                    | 440                    |
| Repayment of borrowing  |     | –                   | –              | –               | –               | –              | 1 073         | –               | 2 224   | 2 487                  | –                      |
| Other Cash Flows/Payments   |     | –                   | –              | –               | –               | –              | –             | –               | –   | –                      | –                      |
| <b>Total Cash Payments by Type</b>  |     | <b>15 850</b>       | <b>6 209</b>   | <b>9 290</b>    | <b>12 337</b>   | <b>5 824</b>   | <b>11 836</b> | <b>13 650</b>   | <b>147 165</b>                                      | <b>130 585</b>         | <b>127 052</b>         |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>   |     | <b>31 098</b>       | <b>42 224</b>  | <b>(55 158)</b> | <b>(11 873)</b> | <b>(4 793)</b> | <b>25 820</b> | <b>(12 086)</b> | <b>(22 914)</b>                                     | <b>(801)</b>           | <b>3 292</b>           |
| Cash/cash equivalents at the month/year beginning:  |     | 54 602              | 85 700         | 127 924         | 72 766          | 60 893         | 56 100        | 81 920          | 50 102  | 27 189                 | 26 388                 |
| Cash/cash equivalents at the month/year end:  |     | 85 700              | 127 924        | 72 766          | 60 893          | 56 100         | 81 920        | 69 834          | 27 189  | 26 388                 | 29 680                 |

**Table SC12 Monthly Budget Statement - capital expenditure trend**

| DC9 Frances Baard - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January |                 |                     |                 |                |               |               |               |                |                            |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|---------------|----------------|----------------------------|
| Month  | 2016/17         | Budget Year 2017/18 |                 |                |               |               |               |                |                            |
|  | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance  | YTD variance % | % spend of Original Budget |
| <b>R thousands</b>   |                 |                     |                 |                |               |               |               |                |                            |
| <b>Monthly expenditure performance trend</b>   |                 |                     |                 |                |               |               |               |                |                            |
| July   | 2               | 520                 | 520             | 37             | 37            | 520           | 483           | 92,8%          | 0%                         |
| August   | 42              | 449                 | 449             | 768            | 805           | 969           | 163           | 16,9%          | 8%                         |
| September  | 110             | 1 450               | 1 450           | 223            | 1 028         | 2 418         | 1 390         | 57,5%          | 10%                        |
| October  | 23              | 700                 | 700             | –              | 1 028         | 3 118         | 2 090         | 67,0%          | 10%                        |
| November   | 85              | 1 597               | 1 597           | 43             | 1 071         | 4 715         | 3 644         | 77,3%          | 11%                        |
| December   | 833             | –                   | –               | 384            | 1 455         | 4 715         | 3 260         | 69,1%          | 14%                        |
| January  | 66              | 900                 | 900             | 48             | 1 502         | 5 615         | 4 113         | 73,2%          | 15%                        |
| February   | 28              | 30                  | 30              |                |               | 5 645         | –             |                |                            |
| March  | 1 769           | 1 500               | 1 500           |                |               | 7 145         | –             |                |                            |
| April  | 54              | 409                 | 409             |                |               | 7 554         | –             |                |                            |
| May  | 649             | 1 212               | 1 212           |                |               | 8 766         | –             |                |                            |
| June   | 3 662           | 1 321               | 5 284           |                |               | 14 050        | –             |                |                            |
| <b>Total Capital expenditure</b>   | <b>7 324</b>    | <b>10 087</b>       | <b>14 050</b>   | <b>1 502</b>   | <b>6 927</b>  | <b>65 229</b> | <b>15 143</b> | <b>23,2%</b>   | <b>69%</b>                 |

**Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class**

DC9 Frances Baard - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - 07 January

| Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands   | 1   |                 |                     |                 |                |               |               |              |                |                    |
| <b>Capital expenditure on new assets by Asset Class/Sub-class</b> |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Infrastructure</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Community</b>  |     | 104             | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other   |     | 104             |                     |                 |                |               |               |              |                |                    |
| <b>Heritage assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Buildings   |     |                 |                     |                 |                |               |               |              |                |                    |
| Other   |     | -               |                     |                 |                |               |               |              |                |                    |
| <b>Investment properties</b>                                      |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Housing development   |     |                 |                     |                 |                |               |               |              |                |                    |
| Other   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Other assets</b>   |     | 6 359           | 8 767               | 12 763          | 35             | 1 446         | 3 616         | (2 170)      | -60,0%         | 8 767              |
| General vehicles  |     | 1 343           | -                   | 1 900           | -              | -             | -             | -            |                | -                  |
| Specialised vehicles  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Plant & equipment   |     | 66              | 233                 | 228             | 2              | 23            | 97            | (75)         | -76,8%         | 233                |
| Computers - hardware/equipment                                    |     | 96              | 463                 | 505             |                | 215           | 193           | 22           | 11,3%          | 463                |
| Furniture and other office equipment                              |     | 105             | 743                 | 802             | 10             | 57            | 310           | (253)        | -81,7%         | 743                |
| Abattoirs   |     | -               | -                   | -               |                |               |               |              |                |                    |
| Markets   |     | -               | -                   | -               |                |               |               |              |                |                    |
| Civic Land and Buildings  |     | -               | -                   | -               |                |               |               |              |                |                    |
| Other Buildings   |     | 2 995           | 7 328               | 9 328           | 23             | 1 152         | 3 016         | (1 864)      | -61,8%         | 7 328              |
| Other   |     | -               | -                   | -               |                |               |               |              |                |                    |
| Surplus Assets - (Investment or Inventory)                        |     |                 |                     |                 |                |               |               |              |                |                    |
| Other - Emergency Equipment                                       |     | 1 754           |                     | -               | -              | -             | -             | -            |                |                    |
| <b>Agricultural assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| List sub-class  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Biological assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| List sub-class  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Intangibles</b>  |     | -               | 590                 | 590             | -              | -             | 246           | (246)        | -              | 590                |
| Computers - software & programming                                |     | -               | 590                 | 590             | -              | -             | 246           | (246)        | 0,0%           | 590                |
| Other   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Total Capital Expenditure on new assets</b>                    | 1   | 6 463           | 9 357               | 13 353          | 35             | 1 446         | 3 862         | (2 416)      | -62,6%         | 9 357              |

**Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class**

DC9 Frances Baard - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M07 January

| Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands   | 1   |                 |                     |                 |                |               |               |              |                |                    |
| <b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b> |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Infrastructure</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Community</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Heritage assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Buildings   |     |                 |                     |                 |                |               |               |              |                |                    |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Investment properties</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Housing development   |     |                 |                     |                 |                |               |               |              |                |                    |
| Other   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Other assets</b>   |     | 862             | 480                 | 477             | 13             | 40            | 758           | 719          | 94,8%          | 480                |
| General vehicles  |     | 512             | 350                 | 350             | -              | -             | 682           | (682)        | -100,0%        | 350                |
| Specialised vehicles  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Plant & equipment   |     | -               | -                   | -               | -              | 8             | -             | 8            | #DIV/0!        | -                  |
| Computers - hardware/equipment  |     | 350             | 130                 | 127             | 13             | 32            | 76            | (44)         | -58,4%         | 130                |
| <b>Agricultural assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| List sub-class  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Biological assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| List sub-class  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Intangibles</b>  |     | -               | 250                 | 220             | -              | 17            | 146           | (129)        | -88,6%         | 250                |
| Computers - software & programming  |     | -               | 250                 | 220             | -              | 17            | 146           | (129)        | -88,6%         | 250                |
| Other   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Total Capital Expenditure on renewal of existing assets</b>                    | 1   | 862             | 730                 | 697             | 13             | 56            | 904           | (848)        | -93,8%         | 730                |

**Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class**

| DC9 Frances Baard - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M07 January |     |                 |                     |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |                |                    |
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands   | 1   |                 |                     |                 |                |               |               |              |                |                    |
| <b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Infrastructure</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Community</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | 1                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            |                | 1                  |
| <b>Heritage assets</b>  |     | 0               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Buildings   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other   |     | 0               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Investment properties</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Housing development   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Other assets</b>   |     | 1 605           | 2 010               | 2 224           | 226            | 658           | (922)         | (1 580)      | 171,3%         | 1 589              |
| General vehicles  |     | 468             | 523                 | 724             | 172            | 352           | (1 790)       | (2 142)      | 119,7%         | 1 058              |
| Specialised vehicles  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Plant & equipment   |     | 239             | 441                 | 441             | -              | -             | 257           | 257          | 100,0%         | 285                |
| Computers - hardware/equipment  |     | 123             | 190                 | 190             | -              | 129           | 111           | (19)         | -16,9%         | 190                |
| Furniture and other office equipment  |     | 442             | 521                 | 521             | 55             | 176           | 304           | 128          | 42,1%          | 21                 |
| Other Buildings   |     | 334             | 335                 | 348             | -              | -             | 195           | 195          | 100,0%         | 35                 |
| <b>Agricultural assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Biological assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Intangibles</b>  |     | 2 330           | 2 289               | 2 325           | -              | -             | 1 335         | 1 335        | 100,0%         | -                  |
| Computers - software & programming  |     | 2 330           | 2 289               | 2 325           | -              | -             | 1 335         | 1 335        | 100,0%         | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Total Repairs and Maintenance Expenditure</b>  |     | <b>3 936</b>    | <b>4 299</b>        | <b>4 549</b>    | <b>226</b>     | <b>658</b>    | <b>413</b>    | <b>(245)</b> | <b>-59,4%</b>  | <b>1 590</b>       |

**Table SC13d Monthly Budget Statement - depreciation by asset class**

| DC9 Frances Baard - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M07 January |     |                 |                     |                 |                |               |               |              |                |                    |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Description   | Ref | 2016/17         | Budget Year 2017/18 |                 |                |               |               |              |                |                    |
|   |     | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands   | 1   |                 |                     |                 |                |               |               |              |                |                    |
| <b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>   |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Infrastructure</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Community</b>  |     | 115             | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other   |     | 115             | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Heritage assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Investment properties</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Other assets</b>   |     | 4 871           | 3 194               | 3 194           | -              | -             | 1 720         | 1 720        | 100,0%         | 3 194              |
| General vehicles  |     | 2 688           | 1 370               | 1 370           | -              | -             | 657           | 657          | 100,0%         | 1 370              |
| Specialised vehicles  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Plant & equipment   |     | 446             | 368                 | 368             | -              | -             | 215           | 215          | 100,0%         | 368                |
| Computers - hardware/equipment  |     | 453             | 457                 | 457             | -              | -             | 266           | 266          | 100,0%         | 457                |
| Furniture and other office equipment  |     | 521             | 488                 | 488             | -              | -             | 285           | 285          | 100,0%         | 488                |
| Civic Land and Buildings  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other Buildings   |     | 763             | 510                 | 510             | -              | -             | 298           | 298          | 100,0%         | 510                |
| <b>Agricultural assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Biological assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Intangibles</b>  |     | 166             | 97                  | 97              | -              | -             | 56            | 56           | 100,0%         | 97                 |
| Computers - software & programming  |     | 166             | 97                  | 97              | -              | -             | 56            | 56           | 100,0%         | 97                 |
| <b>Total Repairs and Maintenance Expenditure</b>  |     | <b>5 152</b>    | <b>3 290</b>        | <b>3 290</b>    | <b>-</b>       | <b>-</b>      | <b>1 777</b>  | <b>1 777</b> | <b>100,0%</b>  | <b>3 290</b>       |
| <b>Specialised vehicles</b>   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Fire  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Ambulances  |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |

**ASSET AND RISK MANAGEMENT****Insurance:**

All Municipal assets are adequately insured with Lateral Unison. The contract runs from 01 January 2016 for a period of three (3) years.

**Asset Management:**

The asset register is updated on monthly basis; this is done to keep up with any changes that might have occurred. The last asset count was done during the month of June 2017 for the 2016/17 financial year.

**Information Backup:**

All shared data stored on file server (*O & P drives only*) is backed up on backup tapes which are extended automatically on a daily, weekly, monthly and annually basis. System users are responsible for ensuring that data backup and maintenance is carried out with regard to their specific usage. General ledger and associated financial system data is backed up on the network server tape system, daily, weekly, tapes are stored on premises, monthly and annually are stored off site

The "e-Venus" financial system was implemented on 1 September 2009. A daily backup is done as well as a day end procedure to integrate daily transactions. On the last working day of each month (a few days after month end to accommodate financial transactions pertaining to the month closed) a monthly calendar, financial backup and integration including closing of votes and opening thereof in the new month is done.

**Other Operating Cost:**

The actual operating costs of the municipal depreciation and repairs & maintenance for the year to date are set out below:

| <i>OPERATING RESULTS ANALYSIS</i>        | Feb-18              | FULL YEAR           |                   |             |
|--|---------------------|---------------------|-------------------|-------------|
| <i>COMPARISON: ACTUAL TO BUDGET</i>      | YTD ACTUAL          | BUDGET 2017/18      | VARIANCES         | VARIANCES % |
| <b>DEPRECIATION</b>                      | <b>1 850 709,07</b> | <b>2 518 170,00</b> | <b>667 460,93</b> | <b>27%</b>  |
| DEP&AMOR:FURNITURE&OFFICE EQUIP ALL      | 4 261,47            | 11 440,00           | 7 178,53          | 63%         |
| DEP&AMOR:BUILDINGS-ALL OR EXCL NERSA     | 52 157,24           | 71 730,00           | 19 572,76         | 27%         |
| DEP&AMOR:INTANGIBLE ASSETS               | 263,04              | 4 730,00            | 4 466,96          | 94%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 619,08              | 500,00              | (119,08)          | -24%        |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 7 580,89            | 13 880,00           | 6 299,11          | 45%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | -                   | 580,00              | 580,00            | 100%        |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | -                   | 3 020,00            | 3 020,00          | 100%        |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 241,97              | 1 150,00            | 908,03            | 79%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | -                   | 30,00               | 30,00             | 100%        |
| DEP & AMOR: COMMUNITY ASSETS             | 283,32              | 420,00              | 136,68            | 33%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 44,18               | 70,00               | 25,82             | 37%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 2 294,60            | 2 970,00            | 675,40            | 23%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | -                   | 790,00              | 790,00            | 100%        |
| DEP & AMOR: INTAN. ASSETS C/SOFTW & APPL | 13 892,12           | 29 300,00           | 15 407,88         | 53%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 439,94              | 520,00              | 80,06             | 15%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 10 144,88           | 7 710,00            | (2 434,88)        | -32%        |
| DEP & AMOR: MACHINERY & EQUIPMENT        | 12,95               | 8 680,00            | 8 667,05          | 100%        |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 3 692,46            | 5 540,00            | 1 847,54          | 33%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 1 704,49            | 2 730,00            | 1 025,51          | 38%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 7 998,73            | 11 850,00           | 3 851,27          | 33%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 2 379,24            | 1 310,00            | (1 069,24)        | -82%        |
| DEP & AMOR: MACHINERY & EQUIPMENT        | -                   | 610,00              | 610,00            | 100%        |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 22 339,84           | 37 720,00           | 15 380,16         | 41%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 5 653,92            | 3 800,00            | (1 853,92)        | -49%        |
| DEP & AMOR: MACHINERY & EQUIPMENT        | 4 884,41            | 9 630,00            | 4 745,59          | 49%         |
| DEP & AMOR: INTAN. ASSETS C/SOFTW & APPL | -                   | 30 000,00           | 30 000,00         | 100%        |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 3 126,39            | 18 100,00           | 14 973,61         | 83%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 3 547,46            | 3 730,00            | 182,54            | 5%          |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 12 066,90           | 17 500,00           | 5 433,10          | 31%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | 505,67              | 970,00              | 464,33            | 48%         |
| DEP & AMOR: OTHER ASSETS                 | -                   | 200,00              | 200,00            | 100%        |
| DEP & AMOR: TRANSPORT ASSETS             | 860 718,64          | 1 000 000,00        | 139 281,36        | 14%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 600,51              | 20,00               | (580,51)          | -2903%      |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 723,87              | 1 170,00            | 446,13            | 38%         |
| DEP & AMOR: INTAN. ASSETS C/SOFTW & APPL | 59 091,26           | 37 400,00           | (21 691,26)       | -58%        |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 233 910,69          | 318 890,00          | 84 979,31         | 27%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 72 290,11           | 107 710,00          | 35 419,89         | 33%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 4 609,98            | 4 720,00            | 110,02            | 2%          |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 10 459,00           | 4 950,00            | (5 509,00)        | -111%       |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 8 362,63            | 10 560,00           | 2 197,37          | 21%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 37 728,97           | 42 180,00           | 4 451,03          | 11%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | 16 922,98           | 14 020,00           | (2 902,98)        | -21%        |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 1 696,06            | 370,00              | (1 326,06)        | -358%       |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 4 795,59            | 8 970,00            | 4 174,41          | 47%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | 3 290,63            | 3 900,00            | 609,37            | 16%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 6 507,83            | 5 690,00            | (817,83)          | -14%        |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 3 576,64            | 4 740,00            | 1 163,36          | 25%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | 152 696,52          | 215 810,00          | 63 113,48         | 29%         |
| DEP & AMOR: TRANSPORT ASSETS             | 163 416,36          | 365 170,00          | 201 753,64        | 55%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 427,34              | 300,00              | (127,34)          | -42%        |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 1 441,32            | 2 200,00            | 758,68            | 34%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 5 008,80            | 8 030,00            | 3 021,20          | 38%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 4 748,28            | 5 970,00            | 1 221,72          | 20%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 3 433,76            | 2 580,00            | (853,76)          | -33%        |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 4 975,55            | 5 740,00            | 764,45            | 13%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 3 886,59            | 7 180,00            | 3 293,41          | 46%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 1 914,24            | 2 960,00            | 1 045,76          | 35%         |
| DEP & AMOR: DEP COMPUTER EQUIPMENT       | 9 090,72            | 12 640,00           | 3 549,28          | 28%         |
| DEP & AMOR: DEP FURNITURE & OFFICE EQUIP | 14 249,01           | 19 100,00           | 4 850,99          | 25%         |
| DEP & AMOR: MACHINERY & EQUIPMENT        | -                   | 3 990,00            | 3 990,00          | 100%        |

| <i>OPERATING RESULTS ANALYSIS</i>                | Feb-18              | FULL YEAR           |                     |             |
|--|---------------------|---------------------|---------------------|-------------|
| <i>COMPARISON: ACTUAL TO BUDGET</i>              | YTD ACTUAL          | BUDGET 2017/18      | VARIANCES           | VARIANCES % |
| <b>REPAIRS &amp; MAINTENANCE</b>                 | <b>1 806 031,67</b> | <b>4 158 570,00</b> | <b>2 352 538,33</b> | <b>57%</b>  |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | 13 419,43           | 95 400,00           | 81 980,57           | 86%         |
| CONTR: MAINT OF BUILDINGS & FACILITIES/ SINAGE   | -                   | 26 000,00           | 26 000,00           | 100%        |
| CONTR: MAINTENANCE OF EQUIPMENT/OFFICE EQUIP     | -                   | 1 500,00            | 1 500,00            | 100%        |
| CONTR: MAINTENANCE OF EQUIPMENT/SOUND SYSTEM     | -                   | 5 500,00            | 5 500,00            | 100%        |
| CONTR: MAINTENANCE OF UNSPEC ASSETS/FBDM WEBSITE | 45 000,00           | 45 000,00           | -                   | 0%          |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | 103 252,00          | 240 000,00          | 136 748,00          | 57%         |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | 147 643,18          | 351 000,00          | 203 356,82          | 58%         |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | 4 889,50            | 249 000,00          | 244 110,50          | 98%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | -                   | 82 800,00           | 82 800,00           | 100%        |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 5 459,22            | 180 000,00          | 174 540,78          | 97%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 33 532,87           | 94 080,00           | 60 547,13           | 64%         |
| CONTR: MAINTENANCE OF EQUIPMENT/COMP EQUIP       | 14 870,34           | 19 200,00           | 4 329,66            | 23%         |
| CONTR: MAINTENANCE OF EQUIPMENT/PRINTERS         | 173 619,57          | 420 000,00          | 246 380,43          | 59%         |
| CONTR: MAINTENANCE OF UNSPEC ASSETS/COMP SOFTW   | 542 775,51          | 821 600,00          | 278 824,49          | 34%         |
| CONTR: MAINTENANCE OF UNSPEC ASSETS/COMP NETWORK | 57 868,00           | 170 400,00          | 112 532,00          | 66%         |
| CONTR: MAINTENANCE OF UNSPEC ASSETS/TEL SYSTEMS  | 700,00              | 30 000,00           | 29 300,00           | 98%         |
| CONTR: MAINT OF BUILDINGS & FACILITIES           | 199 665,42          | 225 000,00          | 25 334,58           | 11%         |
| CONTR: MAINT OF BUILDINGS & FACILITIES           | 39 161,75           | 43 990,00           | 4 828,25            | 11%         |
| CONTR: MAINT OF BUILDINGS & FACILITIES           | 22 636,11           | 39 940,00           | 17 303,89           | 43%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 4 553,10            | 15 000,00           | 10 446,90           | 70%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 13 353,10           | 30 000,00           | 16 646,90           | 55%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 3 697,00            | 60 000,00           | 56 303,00           | 94%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 12 434,45           | 56 000,00           | 43 565,55           | 78%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 12 469,65           | 15 000,00           | 2 530,35            | 17%         |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | 116 694,20          | 219 730,00          | 103 035,80          | 47%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | -                   | 15 000,00           | 15 000,00           | 100%        |
| CONTR: MAINTENANCE OF EQUIPMENT/PLANT&MACH       | 29 921,98           | 59 230,00           | 29 308,02           | 49%         |
| CONTR: MAINTENANCE OF EQUIPMENT/CCTV             | 31 356,11           | 69 000,00           | 37 643,89           | 55%         |
| CONTR: MAINTENANCE OF EQUIPMENT/EMERG SERV       | -                   | 28 000,00           | 28 000,00           | 100%        |
| CONTR: MAINTENANCE OF EQUIPMENT/ACCESS CONT      | 40 168,21           | 84 000,00           | 43 831,79           | 52%         |
| CONTR: MAINTENANCE OF EQUIPMENT/SKID UNITS       | 19 356,01           | 45 000,00           | 25 643,99           | 57%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | -                   | 4 000,00            | 4 000,00            | 100%        |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | 42 100,00           | 135 000,00          | 92 900,00           | 69%         |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | 75 434,96           | 121 200,00          | 45 765,04           | 38%         |
| CONTR: MAINTENANCE OF UNSPECIFIED ASSETS         | -                   | 62 000,00           | 62 000,00           | 100%        |
| <b>GENERAL EXPENSES</b>                          | <b>171 172,44</b>   | <b>474 680,00</b>   | <b>303 507,56</b>   | <b>64%</b>  |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 5 459,22            | 180 000,00          | 174 540,78          | 97%         |
| CONTR: MAINTENANCE OF EQUIPMENT                  | 33 532,87           | 94 080,00           | 60 547,13           | 64%         |
| OC: INSUR UNDER - INSURANCE AGGREGATION          | 131 675,79          | 200 000,00          | 68 324,21           | 34%         |
| INV - MATERIALS & SUPPLIES/OFF REQ:INV           | 504,56              | 600,00              | 95,44               | 16%         |
| <b>TOTAL</b>                                     | <b>3 827 913,18</b> | <b>7 151 420,00</b> | <b>3 323 506,82</b> | <b>46%</b>  |



**Motor Vehicles - Utilization Statistics:**

The municipality operates a pool of 29 vehicles as part of its routine activities. Statistical information regarding the year-to-date utility for February 2018 is as follows:

**Disposal of Vehicles:**

|   | Vehicle                    | Vehicle                 | Year  | Registration | Service | License    | Opening KM | Previous Month     | Current month      | Feb '18       |
|---|----------------------------|-------------------------|-------|--------------|---------|------------|------------|--------------------|--------------------|---------------|
|   | Description                | Allocation              | Model | Number       |         | Expires    | 01-Jul-17  | Closing Km Reading | Closing KM Reading | Utility       |
| 1                                       | Chevrolet Cruze 1.8 LS     | Pool                    | 2010  | CBY 226 NC   | 165 000 | 2018-09-30 | 157 056    | 158 871            | 158 871            | -             |
| 2                                       | Chevrolet Opel Corsa 1.4 i | Disaster Management     | 2010  | CBY 227 NC   | 105 000 | 2018-09-30 | 81 482     | 89 452             | 90 301             | 849           |
| 3                                       | Chevrolet Captiva          | Pool                    | 2011  | CDM 296 NC   | 105 000 | 2018-09-30 | 93 716     | 95 272             | 95 633             | 361           |
| 4                                       | Isuzu KB 2.5 CrewCab       | Environmental Health    | 2016  | CMV 311 NC   | 45 000  | 2019-01-31 | 24 392     | 37 077             | 38 496             | 1 419         |
| 5                                       | Chevrolet Cruze 1.6        | Pool                    | 2016  | VMV 321 NC   | 60 000  | 2019-01-31 | 31 410     | 47 336             | 50 786             | 3 450         |
| 6                                       | Toyota Hilux 2.5D          | Project Management      | 2016  | CMT 747 NC   | 30 000  | 2019-01-31 | 22 940     | 27 999             | 28 970             | 971           |
| 7                                       | Chevrolet Cruze 1.6 North  | Pool                    | 2016  | VMT 314 NC   | 60 000  | 2019-01-31 | 32 002     | 48 568             | 50 047             | 1 479         |
| 8                                       | Isuzu KB CrewCab           | Housing                 | 2016  | CMV 319 NC   | 45 000  | 2019-01-31 | 22 391     | 29 472             | 30 338             | 866           |
| 9                                       | Chevrolet Trailblazer      | Pool                    | 2013  | CGR 575 NC   | 75 000  | 2018-12-31 | 52 676     | 61 886             | 62 517             | 631           |
| 10                                      | Isuzu KB 250               | Housing                 | 2013  | CGR 572 NC   | 90 000  | 2018-12-31 | 87 922     | 89 169             | 89 275             | 106           |
| 11                                      | Isuzu KB 250               | Housing                 | 2013  | CGR 576 NC   | 75 000  | 2018-12-31 | 62 866     | 64 374             | 64 487             | 113           |
| 12                                      | Hyundai H1                 | Tourism Centre          | 2013  | CGY 587 NC   | 60 000  | 2019-02-28 | 51 664     | 56 456             | 56 456             | -             |
| 13                                      | Isuzu KB 200               | Disaster Management     | 2010  | CBY 895 NC   | 75 000  | 2018-09-30 | 55 033     | 61 769             | 62 134             | 365           |
| 14                                      | Isuzu KB 200               | Disaster Management     | 2010  | CBY 898 NC   | 75 000  | 2018-09-30 | 65 793     | 73 824             | 74 756             | 932           |
| 15                                      | Toyota Land Cruiser        | Disaster Management     | 2014  | CJL 363 NC   | 30 000  | 2019-01-31 | 24 619     | 26 828             | 27 468             | 640           |
| 16                                      | Toyota Land Cruiser        | Disaster Management     | 2014  | CKW 835 NC   | 20 000  | 2018-11-30 | 16 770     | 18 931             | 19 706             | 775           |
| 17                                      | Isuzu Kb 250 D-Teq         | Youth Unit              | 2014  | CKR 822 NC   | 60 000  | 2018-10-31 | 46 957     | 55 608             | 56 097             | 489           |
| 18                                      | Isuzu Fire Engine          | Disaster Management     | 2013  | CHM 958 NC   | 15 000  | 2018-06-30 | 2 009      | 2 050              | 2 050              | -             |
| 19                                      | Toyota Etios               | Pool                    | 2014  | CJG 979 NC   | 60 000  | 2018-12-31 | 50 329     | 54 559             | 55 535             | 976           |
| 20                                      | Nissan NP 200              | Environmental Health    | 2014  | CJJ 262 NC   | 60 000  | 2018-12-31 | 42 761     | 48 901             | 49 832             | 931           |
| 21                                      | Nissan Hardbody            | Environmental Health    | 2014  | CJJ 263 NC   | 45 000  | 2018-12-31 | 29 769     | 31 058             | 31 081             | 23            |
| 22                                      | Nissan NP 200              | Environmental Health    | 2014  | CJJ 258 NC   | 45 000  | 2018-12-31 | 30 122     | 34 278             | 35 374             | 1 096         |
| 23                                      | Chevrolet Park Van         | Supply Chain Management | 2015  | CLF791 NC    | 15 000  | 2019-01-31 | 6 507      | 7 996              | 8 287              | 291           |
| 24                                      | Nissan Almera 1.5 Acenta   | Pool                    | 2016  | CMT 438 NC   | 30 000  | 2019-01-31 | 20 297     | 25 870             | 26 583             | 713           |
| 25                                      | Audi Q7 3.0 TDI V6         | Council                 | 2017  | FBDM 1 NC    | 30 000  | 2018/04/31 | 4 117      | 17 079             | 19 646             | 2 567         |
| 26                                      | Nissan NP 300 D/Cab        | Housing                 | 2017  | CPS 005 NC   | 15 000  | 2018/04/31 | 981        | 3 831              | 3 933              | 102           |
| 27                                      | Nissan NP 300 D/Cab        | Environmental Health    | 2017  | CPS 010 NC   | 15 000  | 2018/04/31 | 501        | 5 724              | 5 746              | 22            |
| 28                                      | Nissan NP 300 S/Cab        | Roads Maintenance       | 2017  | CPS 006 NC   | 15 000  | 2018/04/31 | 588        | 5 172              | 5 432              | 260           |
| 29                                      | Nissan NP 300 S/Cab        | Pool                    | 2017  | CPS 008 NC   | 15 000  | 2018/04/31 | 62         | 3 643              | 4 040              | 397           |
| <b>FULL FLEET UTILITY FEBRUARY 2018</b> |                            |                         |       |              |         |            |            |                    |                    | <b>20 824</b> |

**Motor Vehicle Damage Report:**

- Chevrolet Cruze CBY 226 NC - Front brake pads worn out and air conditioner malfunctioning
- Hyundai H1 CGY 587 NC - Vehicle back from Panelbeaters, however vehicle repairs not completed as service provider is awaiting more parts.
- Isuzu Fire Engine CHM 958 NC – Not used during February 2018 by the Disaster Management unit.

**2.14 Quality Certificate**

I, ZM Bogatsu, the Municipal Manager of Frances Baard District Municipality, hereby certify that–

- ☒ The monthly budget statements
- ☐ Quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☐ Mid-year budget and performance assessment

The report for the month of February 2018 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

**Ms. ZM Bogatsu**  
**Municipal Manager**

Signature



Date

13 March 2018